

1940-41.

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA,
CANBERRA.

VOTES AND PROCEEDINGS
OF THE
HOUSE OF REPRESENTATIVES.

No. 49.

WEDNESDAY, 29TH OCTOBER, 1941.

1. The House met, at three o'clock p.m., pursuant to adjournment.—Mr. Speaker (the Honorable W. M. Nairn) took the Chair, and read Prayers.
2. DISTINGUISHED VISITOR.—Mr. Speaker informed the House that the Honorable Walter Nash, Minister for Finance in the Government of the Dominion of New Zealand, was within the precincts. The distinguished visitor thereupon, with the concurrence of honorable Members, was provided with a seat on the floor of the House.
3. PETROL STOCKS AND PETROL RATIONING—MINISTERIAL STATEMENT.—Mr. Beasley (Minister for Supply and Development), by leave, made a Ministerial Statement with reference to Petrol Stocks in Australia and the policy of the Government in relation to Petrol Rationing.
4. MESSAGE FROM THE GOVERNOR-GENERAL.—ASSENT TO BILLS.—The following Message from His Excellency the Governor-General was received, and was read by Mr. Speaker :—

GOWRIE,

*Governor-General.**Message No. 44.*

Proposed Laws intituled :—

“ *Supply Act (No. 3) 1941-42* ”“ *Loan Act (No. 2) 1941* ”

as finally passed by the Senate and the House of Representatives of the Commonwealth, having been presented to the Governor-General for the Royal Assent, His Excellency has, in the name and on behalf of His Majesty, assented to the said Laws.

Government House,
Canberra, 10th October, 1941.

5. PAPERS.—The following Papers were presented, pursuant to Statute—
 - Canned Fruits Export Control Act—Fifteenth Annual Report of the Australian Canned Fruits Board, for year 1940-41, together with Statement by Minister regarding the operation of the Act.
 - Commonwealth Bank Act—Treasurer's Statement of combined accounts of Commonwealth Bank and Commonwealth Savings Bank at 30th June, 1941, together with certificate of the Auditor-General.
 - Customs Act—Proclamation (dated 3rd October, 1941) prohibiting the Exportation (except under certain conditions) of Timber, viz. :—Logs, poles or piles ; Timber, dressed or undressed ; Railway sleepers ; Veneers, rotary cut, but not including furniture veneers ; Plywood made from rotary cut veneers.
 - Dairy Produce Export Control Act—Sixteenth Annual Report of the Australian Dairy Produce Board, for year 1940-41, together with Statement by Minister regarding the operation of the Act.
 - Defence Act—Royal Military College—Report for 1940.
 - Judiciary Act—Rule of Court, dated 9th October, 1941.
 - Lands Acquisition Act—Land acquired—
 - For Defence purposes—
 - Boyup Brook, Western Australia.
 - Busselton, Western Australia.
 - Glenorchy, Tasmania.
 - Muswellbrook, New South Wales.
 - Nowra, New South Wales.
 - Pearce, Western Australia.
 - Point Cook, Victoria.
 - Port Pirie, South Australia.
 - Rooty Hill (Walgrove), New South Wales.
 - Sunshine, Victoria.
 - Toowoomba, Queensland.
 - Williamstown, New South Wales.
 - For Postal purposes—
 - Boisdale, Victoria.
 - Glen Davis, New South Wales.
 - Meat Export Control Act—Sixth Annual Report of the Australian Meat Board, for year 1940-41, together with Statement by Minister regarding the operation of the Act.
 - National Security Act—
 - National Security (General) Regulations—Orders—Inventions and designs (87).
 - Regulations—Statutory Rules 1941, No. 239.

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Naval Defence Act—Regulations—Statutory Rules 1941, Nos. 238, 242.

Papua Act—Ordinances—1941—

No. 1—Supply 1941-1942.

No. 2—Customs Tariff.

No. 3—Prisons.

No. 4—Dentists Registration.

No. 5—Supplementary Appropriation 1940-1941.

No. 6—Succession Duties.

No. 7—Appropriation 1941-1942.

River Murray Waters Act—River Murray Commission—Report for year 1940-41.

Science and Industry Research Act—Fifteenth Annual Report of Council for year 1940-41.

Wine Overseas Marketing Act—Thirteenth Annual Report of the Australian Wine Board, for year 1940-41, together with Statement by Minister regarding the operation of the Act.

6. MESSAGES FROM THE GOVERNOR-GENERAL—ESTIMATES 1941-42 [No. 2].—The following Messages from His Excellency the Governor-General were presented, and were read by Mr. Speaker :—

GOWRIE,

*Governor-General.**Message No. 45.*

In accordance with the requirements of section fifty-six of the Constitution of the Commonwealth of Australia, the Governor-General transmits to the House of Representatives, in substitution for the Estimates transmitted on 25th September, 1941, Estimates of Revenue and Expenditure for the year ending the thirtieth day of June, One thousand nine hundred and forty-two, and recommends an appropriation of the Consolidated Revenue Fund accordingly.

Canberra, 29th October, 1941.

GOWRIE,

*Governor-General.**Message No. 46.*

In accordance with the requirements of section fifty-six of the Constitution of the Commonwealth of Australia, the Governor-General transmits to the House of Representatives, in substitution for the Estimates transmitted on 25th September, 1941, Estimates of Expenditure for Additions, New Works, Buildings, &c., for the year ending the thirtieth day of June, One thousand nine hundred and forty-two, and recommends an appropriation of the Consolidated Revenue Fund accordingly.

Canberra, 29th October, 1941.

Severally ordered to lie on the Table, and, together with the accompanying Estimates, to be printed and referred to the Committee of Supply forthwith.

7. SUPPLY—FINANCIAL STATEMENT.—The House, according to Order, resolved itself into the Committee of Supply.

(In the Committee.)

Mr. Chifley (Treasurer) delivered a Financial Statement relating to the Budget 1941-42 and then moved, That the first item in the Estimates, under Division No. 1—The Senate—namely—

Salaries and allowances	£8,470
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be agreed to.

Progress to be reported, and leave asked to sit again.

The House resumed ; Mr. Prowse reported accordingly.

Resolved—That the House will, at a later hour this day, again resolve itself into the said Committee.

8. PAPER.—Mr. Chifley (Treasurer) presented, by command of His Excellency the Governor-General—The Budget, 1941-42—Additional papers presented by the Honorable J. B. Chifley, M.P., for the information of honorable Members in connexion with the Budget of 1941-42.

Ordered to lie on the Table, and to be printed.

9. WAYS AND MEANS—SALES TAX, INCOME TAX, WAR-TIME (COMPANY) TAX, LAND TAX, ESTATE DUTY, AND GIFT DUTY.—The House, according to Order, resolved itself into the Committee of Ways and Means.

(In the Committee.)

SALES TAX.

Mr. Chifley (Treasurer) moved the following ten motions—

(1.) That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 1) 1930-1940 sales tax* be imposed upon the sale value of goods, manufactured in Australia by a taxpayer and on or after the thirtieth day of October, One thousand nine hundred and forty-one, sold by him or treated by him as stock for sale by retail or applied to his own use, at the rate of—

(a) in respect of the goods covered by the Second Schedule to the Sales Tax (Exemptions and Classifications) Act—Five per centum ;

(b) in respect of the goods covered by the Third Schedule to that Act—Twenty per centum ; and

(c) in respect of goods not covered by the Second or Third Schedule to that Act, and on the sale value of which it is not provided by that Act that sales tax shall not be payable—Ten per centum.

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(2.) That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 2) 1930-1940* sales tax be imposed upon the sale value of goods, manufactured in Australia and sold on or after the thirtieth day of October, One thousand nine hundred and forty-one, by a taxpayer who purchased them from the manufacturer, at the rate of—

- (a) in respect of the goods covered by the Second Schedule to the Sales Tax (Exemptions and Classifications) Act—Five per centum ;
- (b) in respect of the goods covered by the Third Schedule to that Act—Twenty per centum ; and
- (c) in respect of goods not covered by the Second or Third Schedule to that Act, and on the sale value of which it is not provided by that Act that sales tax shall not be payable—Ten per centum.

(3.) That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 3) 1930-1940* sales tax be imposed upon the sale value of goods, manufactured in Australia and sold on or after the thirtieth day of October, One thousand nine hundred and forty-one, by a taxpayer not being either the manufacturer of those goods or the purchaser of those goods from the manufacturer, at the rate of—

- (a) in respect of the goods covered by the Second Schedule to the Sales Tax (Exemptions and Classifications) Act—Five per centum ;
- (b) in respect of the goods covered by the Third Schedule to that Act—Twenty per centum ; and
- (c) in respect of goods not covered by the Second or Third Schedule to that Act, and on the sale value of which it is not provided by that Act that sales tax shall not be payable—Ten per centum.

(4.) That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 4) 1930-1940* sales tax be imposed upon the sale value of goods, manufactured in Australia and sold to a taxpayer who has, on or after the thirtieth day of October, One thousand nine hundred and forty-one, applied those goods to his own use, at the rate of—

- (a) in respect of the goods covered by the Second Schedule to the Sales Tax (Exemptions and Classifications) Act—Five per centum ;
- (b) in respect of the goods covered by the Third Schedule to that Act—Twenty per centum ; and
- (c) in respect of goods not covered by the Second or Third Schedule to that Act, and on the sale value of which it is not provided by that Act that sales tax shall not be payable—Ten per centum.

(5.) That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 5) 1930-1940* sales tax be imposed upon the sale value of goods, imported into Australia by a taxpayer on or after the thirtieth day of October, One thousand nine hundred and forty-one, at the rate of—

- (a) in respect of the goods covered by the Second Schedule to the Sales Tax (Exemptions and Classifications) Act—Five per centum ;
- (b) in respect of the goods covered by the Third Schedule to that Act—Twenty per centum ; and
- (c) in respect of goods not covered by the Second or Third Schedule to that Act, and on the sale value of which it is not provided by that Act that sales tax shall not be payable—Ten per centum.

(6.) That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 6) 1930-1940* sales tax be imposed upon the sale value of goods, imported into Australia by a taxpayer and, on or after the thirtieth day of October, One thousand nine hundred and forty-one, sold by him or applied by him to his own use, at the rate of—

- (a) in respect of the goods covered by the Second Schedule to the Sales Tax (Exemptions and Classifications) Act—Five per centum ;
- (b) in respect of the goods covered by the Third Schedule to that Act—Twenty per centum ; and
- (c) in respect of goods not covered by the Second or Third Schedule to that Act, and on the sale value of which it is not provided by that Act that sales tax shall not be payable—Ten per centum.

(7.) That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 7) 1930-1940* sales tax be imposed upon the sale value of goods, imported into Australia and sold on or after the thirtieth day of October, One thousand nine hundred and forty-one, by a taxpayer not being the importer of the goods, at the rate of—

- (a) in respect of the goods covered by the Second Schedule to the Sales Tax (Exemptions and Classifications) Act—Five per centum ;
- (b) in respect of the goods covered by the Third Schedule to that Act—Twenty per centum ; and
- (c) in respect of goods not covered by the Second or Third Schedule to that Act, and on the sale value of which it is not provided by that Act that sales tax shall not be payable—Ten per centum.

(8.) That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 8) 1930-1940* sales tax be imposed upon the sale value of goods, imported into Australia and sold to a taxpayer who has, on or after the thirtieth day of October, One thousand nine hundred and forty-one, applied those goods to his own use, at the rate of—

- (a) in respect of the goods covered by the Second Schedule to the Sales Tax (Exemptions and Classifications) Act—Five per centum ;
- (b) in respect of the goods covered by the Third Schedule to that Act—Twenty per centum ; and

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(c) in respect of goods not covered by the Second or Third Schedule to that Act, and on the sale value of which it is not provided by that Act that sales tax shall not be payable—Ten per centum.

(9.) That in lieu of the rate of tax imposed by the *Sales Tax Act (No. 9) 1930-1940* sales tax be imposed upon the sale value of goods in Australia, including goods which have gone into use or consumption in Australia, leased by a taxpayer to a lessee on or after the thirtieth day of October, One thousand nine hundred and forty-one, at the rate of—

(a) in respect of the goods covered by the Second Schedule to the Sales Tax (Exemptions and Classifications) Act—Five per centum ;

(b) in respect of the goods covered by the Third Schedule to that Act—Twenty per centum ; and

(c) in respect of goods not covered by the Second or Third Schedule to that Act, and on the sale value of which it is not provided by that Act that sales tax shall not be payable—Ten per centum.

(10.) That, for the purposes of the foregoing Resolutions, "Sales Tax (Exemptions and Classifications) Act" means the *Sales Tax (Exemptions and Classifications) Act 1935-1940* as proposed to be amended by the *Sales Tax (Exemptions and Classifications) Bill 1941*.

INCOME TAX.

Mr. Chifley moved—

1. That a tax be imposed upon incomes at the following rates :—

Division A.—Rate of Tax in Respect of Taxable Income Derived from Personal Exertion.

If the taxable income does not exceed Four hundred pounds, the rate of tax for every pound of taxable income be sixteen pence.

If the taxable income exceeds Four hundred pounds but does not exceed Two thousand and five hundred pounds, the rate of tax for every pound of taxable income be sixteen pence and one twenty-fifth of a penny increasing uniformly by one twenty-fifth of a penny for every pound by which the taxable income exceeds Four hundred and one pounds.

If the taxable income exceeds Two thousand and five hundred pounds, the rate of tax for every pound of taxable income up to and including Two thousand and five hundred pounds be One hundred pence, and the rate of tax for every pound of taxable income in excess of Two thousand and five hundred pounds be Two hundred pence.

Division B.—Rate of Tax in Respect of Taxable Income Derived from Property.

If the taxable income does not exceed Four hundred pounds, the rate of tax for every pound of taxable income be twenty pence.

If the taxable income exceeds Four hundred pounds but does not exceed Two thousand pounds, the rate of tax for every pound of taxable income be twenty pence and one-twentieth of a penny increasing uniformly by one-twentieth of a penny for every pound by which the taxable income exceeds Four hundred and one pounds.

If the taxable income exceeds Two thousand pounds, the rate of tax for every pound of taxable income up to and including Two thousand pounds be One hundred pence, and the rate of tax for every pound of taxable income in excess of Two thousand pounds be Two hundred pence.

Division C.—Rates of Tax in Respect of Taxable Income Derived Partly from Personal Exertion and Partly from Property.

(a) For every pound of taxable income derived from personal exertion, the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under Division A if the total taxable income of the taxpayer were derived exclusively from personal exertion, by the amount of the total taxable income.

(b) For every pound of taxable income derived from property, the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under Division B if the total taxable income of the taxpayer were derived exclusively from property, by the amount of the total taxable income.

Division D.—Rates of Tax by Reference to an Average Income.

(a) For every pound of the taxable income derived from personal exertion by a taxpayer to whose income Division 16 of Part III. of the *Income Tax Assessment Act 1936-1940* applies, the rate of tax shall be ascertained by dividing the tax that would be payable under Division A upon a taxable income from personal exertion equal to his average income, by that average income.

(b) For every pound of taxable income derived by him from property the rate of tax shall be ascertained by dividing the tax that would be payable under Division B upon a taxable income from property equal to his average income, by that average income.

Division E.—Rate of Tax by Reference to a Notional Income.

(a) For every pound of the actual taxable income from personal exertion of a taxpayer deriving a notional income, as specified by sub-section (1.) of section eighty-six of the *Income Tax Assessment Act 1936-1940*, the rate of tax shall be the amount obtained by dividing the tax that would be payable under Division A upon a taxable income from personal exertion equal to his notional income, by that notional income.

(b) For every pound of the actual taxable income from property of a taxpayer deriving a notional income, as specified by sub-section (1.) of section eighty-six of the *Income Tax Assessment Act 1936-1940*, the rate of tax shall be the amount obtained by dividing the tax that would be payable under Division B upon a taxable income from property equal to his notional income, by that notional income.

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Division F.—Tax Payable Where Amount Would Otherwise be Less than Ten Shillings.

Notwithstanding anything contained in the last five preceding Divisions, where the amount of income tax which a person would, apart from this Division, be liable to pay is less than Ten shillings, the income tax payable by that person shall be Ten shillings.

Division G.—Rates of Tax Payable by a Trustee.

For every pound of the taxable income in respect of which a trustee is liable, pursuant to either section ninety-eight or section ninety-nine of the *Income Tax Assessment Act 1936-1940*, to be assessed and to pay tax, the rate of tax shall be the rate which would be payable under Division A, B, C, D or E as the case requires, if one individual were liable to be assessed and to pay tax on that taxable income.

Division H.—Rates of Tax Payable by a Company.

(a) Subject to the last preceding Division, for every pound of the taxable income of a company the rate of tax shall be thirty-six pence.

(b) Subject to the last preceding Division, for every pound of that portion of the taxable income of a company which has not been distributed as dividends on which the company is liable, pursuant to Part IIIA. of the *Income Tax Assessment Act 1936-1940*, to pay further tax, the rate of tax shall be twenty-four pence.

(c) For every pound of interest in respect of which a company is liable, pursuant to sub-section (1.) of section one hundred and twenty-five of the *Income Tax Assessment Act 1936-1940*, to pay income tax, the rate of tax shall be thirty-six pence.

2. That, in addition to any income tax payable under the preceding provisions of this Resolution, there shall be payable upon the taxable income in excess of Five thousand pounds derived by a company (other than a company to which section fourteen of the *War-time (Company) Tax Assessment Act 1940* provides that that Act shall not apply) a super-tax at the rate of twelve pence for every pound of that excess :

Provided that this paragraph shall not apply to the assessment of a company as a trustee.

3. That tax in accordance with the preceding provisions of this Resolution shall be levied and paid for the financial year beginning on the first day of July, One thousand nine hundred and forty-one.

4. That, until the commencement of the Act for the levying and payment of income tax for the financial year beginning on the first day of July, One thousand nine hundred and forty-two, the foregoing provisions of this Resolution shall also apply for all financial years subsequent to that beginning on the first day of July, One thousand nine hundred and forty-one.

WAR-TIME (COMPANY) TAX.

Mr. Chifley moved—

That, in respect of all assessments for the financial year beginning on the first day of July, One thousand nine hundred and forty-one and all subsequent years, in lieu of the rate of tax imposed by sub-section (1.) of section 5 of the *War-time (Company) Tax Act 1940*—

(a) where the excess of the taxable profit over the percentage standard is not more than

One per centum of the capital employed—the rate of tax be Six per centum ; and

(b) where the excess is more than One per centum of the capital employed—the rate of tax in respect of the excess referred to in the first column of the following table be—

(i) on so much of that excess as is equal to the percentage of the capital employed specified in the second column of that table—the rates specified in the third column of that table ; and

(ii) on the remainder of that excess—the rates specified in the fourth column of that table :—

Column 1.	Column 2.	Column 3.	Column 4.
	Percentage of portion of excess to capital employed.	Rate of tax on portion of excess shown in Column 2.	Rate of tax on remainder of excess.
	per centum.	per centum.	per centum.
Where the excess is more than one per centum of the capital employed but not more than two per centum	1	6	12
Where the excess is more than two per centum of the capital employed but not more than three per centum	2	9	18
Where the excess is more than three per centum of the capital employed but not more than four per centum	3	12	24
Where the excess is more than four per centum of the capital employed but not more than five per centum	4	15	30
Where the excess is more than five per centum of the capital employed but not more than six per centum	5	18	36
Where the excess is more than six per centum of the capital employed but not more than seven per centum	6	21	42
Where the excess is more than seven per centum of the capital employed but not more than eight per centum	7	24	48
Where the excess is more than eight per centum of the capital employed but not more than nine per centum	8	27	54
Where the excess is more than nine per centum of the capital employed but not more than ten per centum	9	30	60
Where the excess is more than ten per centum of the capital employed but not more than eleven per centum	10	33	66
Where the excess is more than eleven per centum of the capital employed but not more than twelve per centum	11	36	72
Where the excess is more than twelve per centum of the capital employed	12	39	78

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LAND TAX.

Mr. Chifley moved—

1. That, in addition to the land tax payable under the *Land Tax Act 1910-1940*, there shall be payable in respect of land, the taxable value of which is in excess of Twenty thousand pounds, a super tax equal to—

- (a) twenty per centum of the amount of land tax payable under that Act in respect of that land ; or
- (b) one per centum of the amount of the excess of the taxable value of that land over Twenty thousand pounds,

whichever is the lesser amount.

2. That the super tax shall apply to all assessments for the financial year beginning on the first day of July, One thousand nine hundred and forty-one, and for each financial year thereafter.

ESTATE DUTY.

Mr. Chifley moved—

That in lieu of the rates of Estate Duty imposed by the *Estate Duty Act 1914-1940*, the rates of estate duty in respect of the estates of all persons dying on or after the date of the commencement of the Act passed to give effect to this Resolution be—

- (a) where the value for duty of the estate does not exceed Ten thousand pounds—Three pounds per centum.
- (b) where the value for duty of the estate exceeds Ten thousand pounds but does not exceed Twenty thousand pounds—Three pounds per centum increasing by Three one-hundredths of one pound per centum for every complete One hundred pounds by which that value exceeds Ten thousand pounds.
- (c) where the value for duty of the estate exceeds Twenty thousand pounds but does not exceed One hundred and twenty thousand pounds—Six pounds per centum increasing by Two one-hundredths of one pound per centum for every complete One hundred pounds by which the value exceeds Twenty thousand pounds.
- (d) where the value for duty of the estate exceeds One hundred and twenty thousand pounds but is less than Five hundred thousand pounds—Twenty six pounds per centum increasing by One two-hundredths of one pound per centum for every complete One thousand pounds by which the value exceeds One hundred and twenty thousand pounds.
- (e) where the value for duty of the estate is Five hundred thousand pounds or more—Twenty seven pounds eighteen shillings per centum.

GIFT DUTY.

Mr. Chifley moved—

1. That gift duty be levied and paid in respect of every gift made on or after the date of the commencement of the Act passed to give effect to this Resolution—

- (a) by a person (not being a body corporate) who is domiciled in Australia, or by a body corporate which is incorporated under the law of any State or Territory which is part of the Commonwealth—of any property wherever situated ; or
- (b) by any other person—of any property which is situated in Australia at the time when the gift is made.

2. That the rates of gift duty be—

- (a) Where the value of all gifts does not exceed Five hundred pounds—nil.
- (b) Where the value of all gifts exceeds Five hundred pounds but does not exceed Ten thousand pounds—Three pounds per centum of the value of the gift.
- (c) Where the value of all gifts exceeds Ten thousand pounds but does not exceed Twenty thousand pounds—Three pounds per centum of the value of the gift increasing by Three one-hundredths of One pound per centum for every complete One hundred pounds by which the value of all gifts exceeds Ten thousand pounds.
- (d) Where the value of all gifts exceeds Twenty thousand pounds but does not exceed One hundred and twenty thousand pounds—Six pounds per centum of the value of the gift increasing by two one-hundredths of One pound per centum for every complete One hundred pounds by which the value of all gifts exceeds Twenty thousand pounds.
- (e) Where the value of all gifts exceeds One hundred and twenty thousand pounds but is less than Five hundred thousand pounds—Twenty-six pounds per centum of the value of the gift increasing by One two-hundredths of One pound per centum for every complete One thousand pounds by which the value of all gifts exceeds One hundred and twenty thousand pounds.
- (f) Where the value of all gifts is Five hundred thousand pounds or more—Twenty-seven pounds eighteen shillings per centum of the value of the gift.

3. That, for the purposes of this Resolution—

“ value of all gifts ” means the sum of the value of the gift in question and the value of all other gifts made, whether at the same time or within thirty months previously (whether wholly or partly before the commencement of this Act or not) or thirty months subsequently, by the same donor to the same or any other donee.

Progress to be reported, and leave asked to sit again.

The House resumed ; Mr. Prowse reported accordingly.

Resolved—That the House will, at a later hour this day, again resolve itself into the said Committee.

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10. WAYS AND MEANS—CUSTOMS TARIFF AMENDMENT (NO. 6), CUSTOMS TARIFF (NEW ZEALAND PREFERENCE) AMENDMENT (NO. 3), AND EXCISE TARIFF AMENDMENT (NO. 4).—The House, according to Order, again resolved itself into the Committee of Ways and Means.

(In the Committee.)

Mr. Beasley (Minister representing the Minister for Trade and Customs) moved—

CUSTOMS TARIFF AMENDMENT (NO. 6).

That the Schedule to the *Customs Tariff* 1933–1939, as proposed to be amended by Customs Tariff Proposals, be further amended as hereinafter set out, and that, on and after the thirtieth day of October, One thousand nine hundred and forty-one, at nine o'clock in the forenoon, reckoned according to standard time in the Australian Capital Territory, Duties of Customs be collected in pursuance of the *Customs Tariff* 1933–1939 as so amended.

That in this Resolution "Customs Tariff Proposals" mean the Customs Tariff Proposals introduced into the House of Representatives on the following dates, namely :—

2nd July, 1941 ; and
25th September, 1941.

IMPORT DUTIES.

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
DIVISION I.—ALE, SPIRITS, AND BEVERAGES.			
1. By omitting the whole item and inserting in its stead the following item :— " 1. Ale and other beer, porter, cider and perry, spirituous :— (A) In containers not exceeding one gallon* per gallon (B) Otherwise - - - - - per gallon * Six reputed quarts or twelve reputed pints or twenty-four reputed half-pints to be charged as one gallon."	4s. 3d. 3s. 9d.	7s. 6d. 6s.	7s. 6d. 6s.
3. By omitting the whole of sub-item (F) and inserting in its stead the following sub-item :— " (F) Spirit of strength not less than 65 per cent. over proof, denatured or to be denatured prior to delivery subject to compliance with the conditions and restrictions applying to methylated spirit prescribed in the <i>Spirits Act</i> 1906-1935 and in the Regulations issued thereunder, viz. :— (1) The produce of Papua or of any island or territory belonging to or administered under mandate by the Commonwealth, may, subject to conditions as prescribed by Departmental By-laws, be delivered for use as motor fuel on payment of duty at 1d. per gallon. (2) N.E.I.— (a) For power purposes, as prescribed by Departmental By-laws per gallon (b) Other - - - - - per gallon	1s. 2s. 6d.	1s. 2s. 6d.	1s. 2s. 6d."
DIVISION II.—TOBACCO AND MANUFACTURES THEREOF.			
20. By omitting the whole item and inserting in its stead the following item :— " 20. Tobacco, cut, n.e.i.— (A) The manufacture of the United Kingdom, containing not less than 15 per cent. by weight of stemmed Australian-grown tobacco leaf (or its equivalent in terms of unstemmed tobacco leaf) to the total stemmed tobacco leaf (or its equivalent in terms of unstemmed tobacco leaf) used in the manufacture of such tobacco per lb. (B) Other - - - - - per lb.	13s. 14s. 3d.	15s. 3d.	15s. 3d."

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IMPORT DUTIES—continued.

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
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Division II.—Tobacco and Manufactures thereof—continued.

21. By omitting the whole item and inserting in its stead the following item :—			
“ 21. Tobacco, manufactured, n.e.i., including the weight of tags, labels and other attachments—			
(A) The manufacture of the United Kingdom, containing not less than 15 per cent. by weight of stemmed Australian-grown tobacco leaf (or its equivalent in terms of unstemmed tobacco leaf) to the total stemmed tobacco leaf (or its equivalent in terms of unstemmed tobacco leaf) used in the manufacture of such tobacco			
per lb.	12s. 9d.
(b) Other - - - - - per lb.	14s.	15s.	15s.”
22. By omitting the whole item and inserting in its stead the following item :—			
“ 22. Cigarettes, including weight of cards and mouth-pieces contained in inside packages; fine cut tobacco suitable for the manufacture of cigarettes—			
(A) The manufacture of the United Kingdom, containing not less than 3 per cent. by weight of stemmed Australian-grown tobacco leaf (or its equivalent in terms of unstemmed tobacco leaf) to the total stemmed tobacco leaf (or its equivalent in terms of unstemmed tobacco leaf) used in the manufacture of such cigarettes or fine cut tobacco			
per lb.	23s.
(b) Other - - - - - per lb.	24s. 4d.	26s. 4d.	26s. 4d.”

DIVISION IV.—AGRICULTURAL PRODUCTS AND GROCERIES.

44. By omitting the whole of sub-item (a) and inserting in its stead the following sub-item :—			
“ (a) Chewing gum and chewing gum confectionery per lb. or ad val.	5½d.	6d.	7d.
whichever rate returns the higher duty.	45 per cent.	65 per cent.	75 per cent.
And in respect of sub-item (a)—			
For each £1 by which the equivalent in Australian currency of £100 sterling is less than £125 at the date of exportation—			
An additional duty of - - - per lb.	.04d.	.04d.	.04d.
or ad val.	.4 per cent.	.4 per cent.	.4 per cent.
whichever is applicable.”			
73. By omitting the whole item and inserting in its stead the following item :—			
“ 73. Matches and Vestas of all kinds :—			
(a) (1) Wax, in boxes containing 50 vestas or less - - - per gross of boxes	3s. 6d.	4s. 6d.	4s. 6d.
(2) Wood, in boxes containing 70 matches or less - - - per gross of boxes	4s. 11d.	5s. 10d.	5s. 10d.

29th October, 1941.

IMPORT DUTIES—continued.

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
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Division IV.—Agricultural Products and Groceries—continued.

73—continued.

(B) (1) Wax, in boxes containing over 50, but not exceeding 100 vestas per gross of boxes	7s.	9s.	9s.
(2) Wood, in boxes containing over 70, but not exceeding 140 matches per gross of boxes	9s. 10d.	12s.	12s.
(C) (1) Wax, for each additional 50 vestas or portion of 50 vestas per box, an additional duty per gross of boxes	3s. 6d.	4s. 6d.	4s. 6d.
(2) Wood, for each additional 70 matches or portion of 70 matches per box, an additional duty per gross of boxes	4s. 11d.	5s. 10d.	5s. 10d.
(D) N.E.I. - per 1,000 matches or vestas	7d.	8½d.	8½d.
(E) When put up in boxes or in other form for retail sale, unless the number of matches or vestas contained in each box or other retail unit is printed or stamped thereon, in addition to the duties set out in (A), (B), (C), (D) above - per gross of boxes or per 1,000 matches or vestas whichever rate is applicable."	2s. 3d.	2s. 3d.	2s. 3d.

DIVISION VI.—METALS AND MACHINERY.

180. By omitting the whole of sub-item (1) and inserting in its stead the following sub-item:—

"(1) Dry Batteries and Dry Cells of all descriptions whether imported separately or incorporated in any article or appliance—

(1) Less than 6 volt - - - per lb.
or ad val.

whichever rate returns the higher duty.

And in respect of paragraph (1)—
For each £1 by which the equivalent in Australian currency of £100 sterling is less than £125 at the date of exportation—

An additional duty of - per lb.
or ad val.

whichever is applicable.

(2) Other - - - per lb.
or ad val.

whichever rate returns the higher duty.

And in respect of paragraph (2)—
For each £1 by which the equivalent in Australian currency of £100 sterling is less than £125 at the date of exportation—

An additional duty of - per lb.
or ad val.

whichever is applicable."

8d. 25 per cent.	11d. 42½ per cent.	11½d. 43½ per cent.
.02d. .4 per cent.	.02d. .5 per cent.	.02d. .5 per cent.
2d. 25 per cent.	5d. 42½ per cent.	5½d. 43½ per cent.
.02d. .4 per cent.	.02d. .5 per cent.	.02d. .5 per cent.

29th October, 1941.

IMPORT DUTIES—*continued*.

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.

Division VI.—Metals and Machinery—*continued*.

181. By omitting the whole of paragraph (2) of sub-item (A) (twice occurring) and inserting in its stead the following paragraph:— “(2) Valves for wireless telegraphy and telephony including rectifying valves <div style="display: inline-block; vertical-align: middle; border-left: 1px solid black; border-right: 1px solid black; padding: 0 10px; margin: 0 10px;">each And for each £1 by which the equivalent in Australian currency of £100 sterling is less than £125 at the date of exportation each or ad val. whichever rate returns the higher duty.”</div>	4s. 3d.	5s. 6d.	6s. .12d. 40 per cent.
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DIVISION VIII.—EARTHENWARE, CEMENT, CHINA, GLASS, AND STONE.

254. By omitting the whole of sub-item (D) and inserting in its stead the following sub-item:— “(D) Chiclé and other gums and gum mixtures, for use in the manufacture of chewing gum and chewing gum confectionery . . . per lb. and ad val.	1s. 9d. ..	1s. 9d. 15 per cent.	1s. 9d. 15 per cent.”
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CUSTOMS TARIFF (NEW ZEALAND PREFERENCE) AMENDMENT (No. 3).

That the Schedule to the *Customs Tariff (New Zealand Preference) 1933–1934* as proposed to be amended by Customs Tariff (New Zealand Preference) Proposals introduced into the House of Representatives on the second day of July, One thousand nine hundred and forty-one, be further amended as hereinafter set out and that, on and after the thirtieth day of October, One thousand nine hundred and forty-one, at nine o'clock in the forenoon, reckoned according to standard time in the Australian Capital Territory, duties of customs be collected in accordance with the *Customs Tariff (New Zealand Preference) 1933–1934* as so amended.

Consecutive No.	Tariff Item.	Tariff rates on goods the produce or manufacture of New Zealand.
By omitting item 5A and inserting in its stead the following item:— “ 5A	44 (G) Chewing gum and chewing gum confectionery . . .	5½d. per lb. or 45 per cent. ad val., whichever rate returns the higher duty”.

29th October, 1941.

EXCISE TARIFF AMENDMENT (No. 4).

That the Schedule to the *Excise Tariff* 1921-1939, as proposed to be amended by Excise Tariff Proposals, be further amended as hereinafter set out, and that, on and after the thirtieth day of October, One thousand nine hundred and forty-one, at nine o'clock in the forenoon, reckoned according to standard time in the Australian Capital Territory, duties of Excise be collected in pursuance of the *Excise Tariff* 1921-1939 as so amended.

- (2) That, where any goods specified in Item 1 hereinafter—
 (a) were manufactured or produced in Australia before that date; and
 (b) were, on that date, subject to the control of the Customs or to Excise supervision, or in the stock, custody or possession of, or belonged to, any brewer thereof,

and duties of Excise were paid thereon before that date, additional duties of Excise be collected thereon equal to the amount (if any) by which the duties of Excise so paid are less than the duties of Excise which would be payable thereon if the duties of Excise had not been so paid.

- (3) That in this Resolution "Excise Tariff Proposals" mean the Excise Tariff Proposals introduced into the House of Representatives on the following dates, namely:—
 21st November, 1940;
 11th December, 1940; and
 2nd July, 1941.

EXCISE DUTIES.

Articles.	Rate of Duty.
1. By omitting the whole item and inserting in its stead the following item:— "1. Beer— (A) Ale, porter, and other beer, containing not less than 2 per cent. of proof spirit per gallon (B) Any other fermented liquors n.e.i. containing not less than 2 per cent. of proof spirit which may by Proclamation be declared dutiable under this item per gallon	3s. 3s."
2. By omitting the whole of sub-item (N) and inserting in its stead the following sub-item:— "(N) Methylated spirits, subject to Regulations under the <i>Spirits Act</i> 1906-1935— (1) For power purposes, as prescribed by Departmental By-laws (2) N.E.I. per gallon	Free 1s. 6d."
6. By omitting the whole of sub-item (A) and inserting in its stead the following sub-item:— "(A) *Tobacco, hand-made strand:— (1) In the manufacture of which all the tobacco leaf used is Australian-grown per lb. (2) Otherwise per lb.	7s. 4d. 8s.
* HAND-MADE TOBACCO.—"Hand-made Tobacco" shall mean tobacco in the manufacture of which all operations are entirely carried on by hand without the aid of machine tools or machinery other than that used in the pressing of the tobacco."	
By omitting the whole of sub-item (B) and inserting in its stead the following sub-item:— "(B) Tobacco, manufactured, n.e.i.:— (1) In the manufacture of which all the tobacco leaf used is Australian-grown per lb. (2) Otherwise per lb.	7s. 7d. 8s. 3d."
By omitting the whole of sub-item (C) and inserting in its stead the following sub-item:— "(C) Tobacco, fine cut suitable for the manufacture of cigarettes:— (1) In the manufacture of which all the tobacco leaf used is Australian-grown per lb. (2) Otherwise per lb.	12s. 1d. 12s. 9d."
By omitting the whole of sub-item (D) and inserting in its stead the following sub-item:— "(D) Tobacco, in the manufacture of which all the tobacco leaf used is Australian-grown, for consumption by Australian aborigines, as prescribed by Departmental By-laws per lb.	6s. 11d."

29th October, 1941.

EXCISE DUTIES—continued.

Articles.	Rate of Duty.
8. By omitting the whole item and inserting in its stead the following item :— “ 8. Cigarettes, including the weight of the outer portion of each cigarette :— (A) †Hand-made per lb.	12s. 6d.
† HAND-MADE CIGARETTES.—“ Hand-made ” shall mean that the whole of the operations connected with the filling and completion of cigarettes shall be performed exclusively by hand. (B) N.E.I. per lb.	12s. 9d.”
15. By omitting the whole item and inserting in its stead the following item :— “ 15. Matches per 8,640 matches	4s.”
19. By omitting the whole item and inserting in its stead the following item :— “ 19. Valves for wireless telegraphy and telephony including rectifying valves each	3s. 9d.”
20. By omitting the whole item and inserting in its stead the following item :— “ 20. Carbonic acid gas— (a) To be used for aerating beverages, other than beer containing at least 2 per cent. proof spirit per lb.	1s.
(b) To be used in connexion with the reticulation of beverages (except when the reticulation is in connexion with the manufacture, in a brewery licensed under the <i>Beer Excise Act 1901-1928</i> , of beer containing not less than 2 per cent. proof spirit) per lb.	1s.
(c) To be used for all other purposes subject to such conditions as are prescribed by Departmental By-laws	Free ”
21. By adding a new item 21 as follows :— “ 21. Dry batteries and dry cells, less than 6 volt per lb.	6d.”

Progress to be reported, and leave asked to sit again.

The House resumed ; Mr. Prowse reported accordingly.

Resolved—That the House will, at a later hour this day, again resolve itself into the said Committee.

11. SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) BILL 1941.—Mr. Chifley (Treasurer) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Sales Tax (Exemptions and Classifications) Act 1935-1940*.
Question—put and passed.
Mr. Chifley then brought up the Bill accordingly, and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Mr. Chifley moved, by leave, That the Bill be now read a second time.
Mr. Fadden (Leader of the Opposition) moved, That the debate be now adjourned.
Question—That the debate be now adjourned—put and passed.
Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.
12. INCOME TAX ASSESSMENT BILL 1941.—Mr. Chifley (Treasurer) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Income Tax Assessment Act 1936-1940*.
Question—put and passed.
Mr. Chifley then brought up the Bill accordingly, and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Mr. Chifley moved, by leave, That the Bill be now read a second time.
Mr. Fadden (Leader of the Opposition) moved, That the debate be now adjourned.
Question—That the debate be now adjourned—put and passed.
Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.
13. WAR-TIME (COMPANY) TAX ASSESSMENT BILL 1941.—Mr. Chifley (Treasurer) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *War-time (Company) Tax Assessment Act 1940*.
Question—put and passed.
Mr. Chifley then brought up the Bill accordingly, and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Mr. Chifley moved, by leave, That the Bill be now read a second time.
Sir Frederick Stewart moved, That the debate be now adjourned.
Question—That the debate be now adjourned—put and passed.
Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.
14. GIFT DUTY ASSESSMENT BILL 1941.—Mr. Chifley (Treasurer) moved, by leave, That he have leave to bring in a Bill for an Act to provide for the Imposition, Assessment and Collection of a Duty on Gifts.
Question—put and passed.
Mr. Chifley then brought up the Bill accordingly, and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Mr. Chifley moved, by leave, That the Bill be now read a second time.
Mr. Fadden (Leader of the Opposition) moved, That the debate be now adjourned.
Question—That the debate be now adjourned—put and passed.
Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.

29th October, 1941.

15. MESSAGE FROM THE GOVERNOR-GENERAL.—STATES GRANTS BILL 1941.—The following Message from His Excellency the Governor-General was presented, and was read by Mr. Speaker :—

GOWRIE,

*Governor-General.**Message No. 47.*

In accordance with the requirements of section fifty-six of the Constitution of the Commonwealth of Australia, the Governor-General recommends to the House of Representatives that an appropriation of revenue be made for the purposes of a Bill for an Act to grant and apply out of the Consolidated Revenue Fund sums for the purposes of Financial Assistance to the States of South Australia, Western Australia and Tasmania.

Canberra, 24th September, 1941.

Ordered—That the foregoing Message be taken into consideration, in Committee of the whole House, forthwith.

Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

Mr. Chifley (Treasurer) moved, That it is expedient that an appropriation of revenue be made for the purposes of a Bill for an Act to grant and apply out of the Consolidated Revenue Fund sums for the purposes of Financial Assistance to the States of South Australia, Western Australia and Tasmania.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Prowse reported accordingly.

The Resolution was read, and, on the motion of Mr. Chifley, by leave, was adopted by the House.

Ordered—That Mr. Chifley and Mr. Evatt do prepare and bring in a Bill to carry out the foregoing Resolution.

Mr. Chifley then brought up the Bill accordingly, and moved, That it be now read a first time.

Question—put and passed.—Bill read a first time.

Mr. Chifley moved, by leave, That the Bill be now read a second time.

Mr. Anthony moved, That the debate be now adjourned.

Question—That the debate be now adjourned—put and passed.

Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.

16. AUSTRALIAN SOLDIERS' REPATRIATION BILL 1941.—Mr. Frost (Minister for Repatriation) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Australian Soldiers' Repatriation Act 1920-1940*.

Question—put and passed.

Mr. Frost then brought up the Bill accordingly, and moved, That it be now read a first time.

Question—put and passed.—Bill read a first time.

Mr. Frost moved, by leave, That the Bill be now read a second time.

Mr. Anthony moved, That the debate be now adjourned.

Question—That the debate be now adjourned—put and passed.

Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.

17. INVALID AND OLD-AGE PENSIONS BILL 1941.—Mr. Holloway (Minister for Social Services) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Invalid and Old-age Pensions Act 1908-1940*, and for other purposes.

Question—put and passed.

Mr. Holloway then brought up the Bill accordingly, and moved, That it be now read a first time.

Question—put and passed.—Bill read a first time.

Mr. Holloway moved, by leave, That the Bill be now read a second time.

Sir Frederick Stewart moved, That the debate be now adjourned.

Question—That the debate be now adjourned—put and passed.

Ordered—That the resumption of the debate be made an Order of the Day for the next sitting.

18. DISCHARGE OF ORDERS OF THE DAY.—On the motion of Mr. Forde (Minister for the Army), by leave, the following Orders of the Day, Government Business, were discharged :—

3. Patents, Trade Marks, Designs and Copyright (War Powers) Bill 1941.—Second reading.

4. Judiciary Bill 1941.—Second reading.

5. International Affairs—Survey of Latest Developments—Ministerial Statement, 17th September, 1941—Motion for Printing Paper—Resumption of debate upon the motion, That the Paper be printed.

7. Tariff Board—Annual Report, 1940-41—Motion for Printing Report—Resumption of debate upon the motion, That the Report be printed.

8. Recent Developments in International Affairs and Proposal that Prime Minister should visit London—Ministerial Statement—Motion for Printing Paper—Resumption of debate upon the motion, That the Paper be printed.

9. Newsprint Rationing—Ministerial Statement—Motion for Printing Paper—Resumption of debate upon the motion, That the Paper be printed.

10. Australian Broadcasting Commission Bill 1941—Second reading—Resumption of debate.

11. War Developments and International Affairs—Ministerial Statement—Motion for Printing Paper—Resumption of debate upon the motion, That the Paper be printed.

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12. Holdsworthy Detention Camp—Reports by Inspector-General of Administration—Motion for Printing Papers—Resumption of debate upon the motion, That the Papers be printed.
13. Supply of Australian Foodstuffs to United Kingdom—Motion for Printing Paper—Resumption of debate upon the motion, That the Paper be printed.
14. Re-employment Problems—Ministerial Statement—Motion for Printing Paper—Resumption of debate upon the motion, That the Paper be printed.
19. ALTERATION OF DAY OF NEXT MEETING.—Mr. Forde (Minister for the Army) moved, That the House, at its rising, adjourn until Wednesday next at three o'clock p.m.
Question—put and passed.
20. ADJOURNMENT.—Mr. Forde (Minister for the Army) moved, That the House do now adjourn.
Question—put and passed.
- And then the House, at four minutes past eight o'clock p.m., adjourned until Wednesday next at three o'clock p.m.
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MEMBERS PRESENT.—All Members were present (at some time during the sitting) except Mr. Blain, Mr. Brennan, Mr. Collins, Sir Earle Page, Mr. Perkins, Mr. Rankin, Mr. Spender, and Mr. White*.

* On leave.

F. C. GREEN,
Clerk of the House of Representatives.