

1945.

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

VOTES AND PROCEEDINGS

OF THE

HOUSE OF REPRESENTATIVES.

No. 17.

THURSDAY, 19TH APRIL, 1945.

1. The House met, at half-past two o'clock p.m., pursuant to adjournment.—Mr. Speaker (the Honorable J. S. Rosevear) took the Chair, and read Prayers.
2. DEATH OF THE HONORABLE T. J. COLLINS.—Mr. Chifley (Treasurer) referred to the death on the 15th April of the Honorable T. J. Collins, and moved, That this House expresses its sincere regret at the death of the Honorable Thomas Joseph Collins, a former Member of the House of Representatives for the Division of Hume and a Minister of the Crown, places on record its appreciation of his meritorious public service, and tenders its deep sympathy to his widow and family in their bereavement.
And Mr. Menzies (Leader of the Opposition) having seconded the motion, and other honorable Members having addressed the House in support thereof, and all Members present having risen, in silence—
Question—passed.
3. AIRCRAFT CRASH, SPRING PLAINS, VICTORIA—FINDINGS OF AIR COURT OF INQUIRY—MINISTERIAL STATEMENT—MOTION FOR PRINTING PAPER.—Mr. Drakeford (Minister for Civil Aviation), by leave, made a Ministerial Statement with reference to the findings of the Air Court of Inquiry in relation to the aircraft accident at Spring Plains, Victoria, on the 31st January, 1945, and, by command of His Royal Highness the Governor-General, laid upon the Table the following Paper :—
Stinson Aircraft Accident, Spring Plains, Victoria, 31st January, 1945—Findings of Air Court of Inquiry,
and moved, That the Paper be printed.
Mr. White 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.
4. PAPERS.—The following Papers were presented, by command of His Royal Highness the Governor-General—
Tariff Board—Reports—
Prices for Grapes and fortifying Spirits.
Spirit for fortification of Wine.
Use of Cane Sugar in Sauterne.
Severally ordered to lie on the Table, and to be printed.
National Security Act—National Security (Prices) Regulations—Declaration—No. 154.
Ordered to lie on the Table,

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The following Papers were presented, pursuant to Statute—

Arbitration (Public Service) Act—Determinations by the Arbitrator, &c.—1945—

No. 3—Hospital Dispensary and Asylum Employees and Allied Government Officers' Federation of Australia.

No. 4—Hospital Dispensary and Asylum Employees and Allied Government Officers' Federation of Australia.

No. 5—Commonwealth Temporary Clerks' Association.

No. 6—Commonwealth Public Service Artisans' Association and Fourth Division Officers' Association of the Department of Trade and Customs.

No. 7—Fourth Division Officers' Association of the Department of Trade and Customs.

No. 8—Amalgamated Postal Workers' Union and others.

No. 9—Commonwealth Temporary Clerks' Association.

No. 10—Arms, Explosives and Munition Workers' Federation; Amalgamated Engineering Union; Australasian Society of Engineers; Blacksmiths' Society of Australasia; Electrical Trades Union of Australia; Federated Engine-drivers' and Firemen's Association of Australasia; and Plumbers and Gasfitters Employees' Union of Australia.

No. 11—Commonwealth Foremen's Association.

No. 12—Federated Clerks' Union of Australia.

Commonwealth Railways Act and Lands Acquisition Act—Land acquired for Railway purposes—Katherine, Northern Territory.

Customs Act—

Customs Proclamation—No. 620.

Regulations—Statutory Rules 1945, No. 34.

Defence Act—Regulations—Statutory Rules 1945, Nos. 38, 42.

Defence Act and Naval Defence Act—Regulations—Statutory Rules 1945, No. 43.

Forestry Bureau Act—Regulations—Statutory Rules 1945, No. 27.

Lands Acquisition Act—Land acquired for Commonwealth purposes—

Ballarat, Victoria.

Bulimba, Queensland (3).

Cannon Hill, Queensland.

Cloncurry, Queensland.

Collie, Western Australia.

Dubbo, New South Wales.

Elsternwick, Victoria.

Gladstone, South Australia.

Lowood, Queensland.

Mallala, South Australia.

Northgate, Queensland.

Nungarin, Western Australia.

National Security Act—

National Security (Agricultural Aids) Regulations—Orders—

Feeding meals (Restriction of manufacture) (No. 2).

Fertilizers and feeding meals (Restriction of sales) (No. 3).

Hay, straw and chaff (Queensland).

Hay, straw and chaff (Tasmania).

National Security (Egg Industry) Regulations—Order—No. 11.

National Security (Food Control) Regulations—Orders—Nos. 18, 19.

National Security (General) Regulations—

Orders—

Control of—

Essential materials (No. 13).

Manufacture of gas producers—Revocation.

Manufacture of glass (No. 3).

Manufacture of shovels—Revocation.

Overseas communications (Otherwise than by post).

Overseas postal communications.

Overseas postal communications (Prisoners of war).

Taking possession of land, &c. (44).

Use of land (4).

Order by State Premier—New South Wales (No. 53).

National Security (Man Power) Regulations—Orders—

Payments to persons directed to accept employment.

Protected undertakings (63).

National Security (Prices) Regulations—Orders—Nos. 1900-1971.

National Security (Rationing) Regulations—Orders—Nos. 76-78.

National Security (Shipping Co-ordination) Regulations—Orders—Nos. 84-87.

National Security (Supplementary) Regulations—Orders by State Premiers—

New South Wales (No. 54).

Western Australia (dated 28th March, 1945).

National Security (War Damage to Property) Regulations—War Damage Commission—Report for 1944.

Regulations—Statutory Rules 1945, Nos. 40, 41, 44, 45,

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Navigation Act—Regulations—Statutory Rules 1945, No. 39.
 Northern Territory Acceptance Act and Northern Territory (Administration) Act—Ordinance—
 1945—No. 2—Nomenclature (Public Places).
 Seat of Government Acceptance Act and Seat of Government (Administration) Act—Ordinance—
 1945—No. 3—Motor Traffic.

5. SUSPENSION OF STANDING ORDERS MOVED.—Mr. Fadden moved, That so much of the Standing Orders be suspended as would prevent Order of the Day No. 9 being considered forthwith.

Debate ensued.

Closure.—Mr. Chifley (Treasurer) moved, That the question be now put.

Question—That the question be now put—put.

The House divided (The Speaker, Mr. Rosevear, in the Chair)—

Ayes, 41.		Noes, 19.	
Mr. Barnard	Mr. Johnson	Mr. Abbott	Dame Enid Lyons
Mr. Beasley	Mr. Langtry	Mr. Adermann	Mr. McDonald
Mr. Breen	Mr. Lawson	Mr. Anthony	Sir Earle Page
Mr. Brennan	Mr. Lazzarini	Mr. Bowden	Mr. Rankin
Mr. Bryson	Mr. Lemmon	Mr. Cameron	Mr. Ryan
Mr. Burke	Mr. Makin	Mr. Fadden	Mr. White
Mr. Calwell	Mr. McLeod	Mr. Francis	
Mr. Chambers	Mr. Morgan	Mr. Harrison	<i>Tellers:</i>
Mr. Chifley	Mr. Mountjoy	Mr. Holt	
Mr. Coles	Mr. Mulcahy	Mr. Hughes	Mr. Corser
Mr. Conelan	Mr. Riordan	Mr. Hutchinson	Mr. Guy
Mr. Daly	Mr. Russell		
Mr. Dedman	Mr. Scullin		
Mr. Drakeford	Mr. Sheehy		
Mr. Falstein	Mr. Smith		
Mr. Fraser	Mr. Ward		
Mr. Frost	Mr. Wilson		
Mr. Fuller			
Mr. Hadley	<i>Tellers:</i>		
Mr. Haylen			
Mr. Holloway	Mr. Martens		
Mr. James	Mr. Sheehan		

And so it was resolved in the affirmative.

And the question—That the motion be agreed to—being accordingly put—

The House divided (The Speaker, Mr. Rosevear, in the Chair)—

Ayes, 19.		Noes, 41.	
Mr. Abbott	Dame Enid Lyons	Mr. Barnard	Mr. Johnson
Mr. Adermann	Mr. McDonald	Mr. Beasley	Mr. Langtry
Mr. Anthony	Sir Earle Page	Mr. Breen	Mr. Lawson
Mr. Bowden	Mr. Rankin	Mr. Brennan	Mr. Lazzarini
Mr. Cameron	Mr. Ryan	Mr. Bryson	Mr. Lemmon
Mr. Fadden	Mr. White	Mr. Burke	Mr. Makin
Mr. Francis		Mr. Calwell	Mr. McLeod
Mr. Harrison	<i>Tellers:</i>	Mr. Chambers	Mr. Morgan
Mr. Holt		Mr. Chifley	Mr. Mountjoy
Mr. Hughes	Mr. Corser	Mr. Coles	Mr. Mulcahy
Mr. Hutchinson	Mr. Guy	Mr. Conelan	Mr. Riordan
		Mr. Daly	Mr. Russell
		Mr. Dedman	Mr. Scullin
		Mr. Drakeford	Mr. Sheehy
		Mr. Falstein	Mr. Smith
		Mr. Fraser	Mr. Ward
		Mr. Frost	Mr. Wilson
		Mr. Fuller	
		Mr. Hadley	<i>Tellers:</i>
		Mr. Haylen	
		Mr. Holloway	Mr. Martens
		Mr. James	Mr. Sheehan

And so it was negatived.

6. INCOME TAX ASSESSMENT BILL 1945.—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 1936-1944*.

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. Menzies (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.

7. POSTPONEMENT OF ORDER OF THE DAY.—Ordered—That Order of the Day No. 1 be postponed until after Order of the Day No. 2, Government Business.

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8. WAYS AND MEANS—INCOME TAX.—The Order of the Day having been read for going into the Committee of Ways and Means—
Question—That Mr. Speaker do now leave the Chair—put and passed.
Whereupon Mr. Speaker left the Chair, and the House resolved itself into the Committee of Ways and Means.

(In the Committee.)

Mr. Chifley (Treasurer) 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 £300, the rate of tax for every pound of taxable income up to and including £100 be 6 pence, and the rate of tax for every pound of taxable income in excess of £100 be 30.165 pence increasing uniformly by .165 of one penny for every pound by which the taxable income exceeds £101.

If the taxable income exceeds £300 but does not exceed £1,000 the rate of tax for every pound of taxable income up to and including £300 be 44 pence and the rate of tax for every pound of taxable income in excess of £300 be 96.01 pence increasing uniformly by .01 of one penny for every pound by which the taxable income exceeds £301.

If the taxable income exceeds £1,000 but does not exceed £2,000 the rate of tax for every pound of taxable income up to and including £1,000 be 85.3 pence and the rate of tax for every pound of taxable income in excess of £1,000 be 110.033 pence increasing uniformly by .033 of one penny for every pound by which the taxable income exceeds £1,001.

If the taxable income exceeds £2,000 but does not exceed £3,000 the rate of tax for every pound of taxable income up to and including £2,000 be 114.15 pence and the rate of tax for every pound of taxable income in excess of £2,000 be 176.015 pence increasing uniformly by .015 of one penny for every pound by which the taxable income exceeds £2,001.

If the taxable income exceeds £3,000 but does not exceed £5,000 the rate of tax for every pound of taxable income up to and including £3,000 be 139.76 pence and the rate of tax for every pound of taxable income in excess of £3,000 be 206.004 pence increasing uniformly by .004 of one penny for every pound by which the taxable income exceeds £3,001.

If the taxable income exceeds £5,000 the rate of tax for every pound of taxable income up to and including £5,000 be 169.46 pence and the rate of tax for every pound of taxable income in excess of £5,000 be 222 pence.

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

If the taxable income does not exceed £200 the rate of tax for every pound of taxable income up to and including £100 be 6 pence and the rate of tax for every pound of taxable income in excess of £100 be 30.165 pence increasing uniformly by .165 of one penny for every pound by which the taxable income exceeds £101.

If the taxable income exceeds £200 but does not exceed £300 the rate of tax for every pound of taxable income up to and including £200 be 26.25 pence and the rate of tax for every pound of taxable income in excess of £200 be 75.74 pence increasing uniformly by .24 of one penny for every pound by which the taxable income exceeds £201.

If the taxable income exceeds £300 but does not exceed £1,000 the rate of tax for every pound of taxable income up to and including £300 be 50.6 pence and the rate of tax for every pound of taxable income in excess of £300 be 123.51 pence increasing uniformly by .01 of one penny for every pound by which the taxable income exceeds £301.

If the taxable income exceeds £1,000 but does not exceed £2,000 the rate of tax for every pound of taxable income up to and including £1,000 be 106.55 pence and the rate of tax for every pound of taxable income in excess of £1,000 be 137.534 pence increasing uniformly by .034 of one penny for every pound by which the taxable income exceeds £1,001.

If the taxable income exceeds £2,000 but does not exceed £5,000 the rate of tax for every pound of taxable income up to and including £2,000 be 139.025 pence and the rate of tax for every pound of taxable income in excess of £2,000 be 205.50275 pence increasing uniformly by .00275 of one penny for every pound by which the taxable income exceeds £2,001.

If the taxable income exceeds £5,000 the rate of tax for every pound of taxable income up to and including £5,000 be 183.86 pence and the rate of tax for every pound of taxable income in excess of £5,000 be 222 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.

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(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 taxable income derived from personal exertion by a taxpayer to whose income Division 16 of Part III. of the *Income Tax Assessment Act 1936-1945* 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 1936-1945*, 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 1936-1945*, 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.

Division F.—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 1936-1945*, 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 G.—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—

- (i) in the case of a company which is not a life assurance company—Seventy-two pence ;
- (ii) in the case of a company which is a mutual life assurance company—Sixty pence ; or
- (iii) in the case of a life assurance company, other than a mutual life assurance company—
 - (1) in respect of the mutual income of the company as defined in sub-section (1A.) of section one hundred and sixty c of the *Income Tax Assessment Act 1936-1945*—Sixty pence ; and
 - (2) in respect of the remainder of the taxable income of the company—Seventy-two 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 1936-1945*, 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 1936-1945*, to pay income tax, the rate of tax shall be Seventy-two pence.

Division H.—Tax Payable on Certain Incomes of less than £200.

Where, apart from this Division, the amount of income tax payable under Division A, B, C, D, E or F would, after deducting all rebates to which a taxpayer is entitled in his assessment, be greater than fifty per centum of the amount by which the taxable income exceeds—

- (a) in any case where the taxable income is less than Two hundred pounds and the taxpayer is entitled to a rebate of tax in his assessment by reference to paragraph (a). (aa), (ab), (b), (ba), (bb), or (c) of sub-section (2.) of section One hundred and sixty of the *Income Tax Assessment Act 1936-1945*—One hundred and fifty-six pounds ; or
- (b) in any case where the taxable income is less than One hundred and thirteen pounds and the taxpayer is not entitled to any such rebate of tax—One hundred and four pounds.

the income tax payable in respect of that taxable income shall be fifty per centum of the amount of that excess.

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

Where, apart from this Division, the amount of income tax which a person would be liable to pay under Division A, B, C, D, E, F or H, after deducting all rebates to which he is entitled in his assessment, is less than Ten shillings, the income tax payable by that person shall be Ten shillings.

Division J.—Tax Payable where Amount would otherwise include Odd Pence.

Where, apart from this Division, the income tax which a person would be liable to pay under the preceding Divisions, before deducting any rebate to which he is entitled in his assessment, leaves an amount of pence remaining when expressed in pounds and shillings—

- (a) if the remaining pence do not exceed six—the income tax payable by that person shall be the amount so expressed in pounds and shillings ;
or
- (b) if the remaining pence exceed six—the income tax payable by that person shall be the amount so expressed in pounds and shillings plus One shilling.

2. That, in addition to any income tax payable under the preceding provisions of this Resolution, there be payable upon the taxable income in excess of Five thousand pounds derived by a company a super-tax at the rate of Twelve pence for every pound of that excess :

Provided that this paragraph shall not apply—

- (a) to the assessment of a company as a trustee ;
- (b) to the income of a company to which section fourteen of the *War-time (Company) Tax Assessment Act 1940–1944* provides that that Act shall not apply ; or
- (c) to the mutual income, as defined in sub-section (1A.) of section one hundred and sixty c of the *Income Tax Assessment Act 1936–1945*, of a life assurance company.

3. That tax in accordance with the preceding provisions of this Resolution be levied and paid for the financial year commencing on the first day of July, One thousand nine hundred and forty-five, upon the taxable income derived during the year of income as defined by section six of the *Income Tax Assessment Act 1936–1945*.

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-six, the foregoing provisions of this Resolution also apply for all financial years subsequent to that commencing on the first day of July, One thousand nine hundred and forty-five.

5. That provisional tax be imposed, and be payable in accordance with the provisions of the *Income Tax Assessment Act 1936–1945*, in respect of the income of the financial year ending on the thirtieth day of June, One thousand nine hundred and forty-six, or the accounting period (if any) adopted under that Act in lieu of that financial year.

6. That, in this Resolution—

“ the *Income Tax Assessment Act 1936–1945* ” mean the *Income Tax Assessment Act 1936–1944*, as proposed to be amended by the *Income Tax Assessment Bill 1945*.

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

The House resumed ; Mr. Riordan reported accordingly.

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

9. WOOL USE PROMOTION BILL 1945.—The Order of the Day having been read for the resumption of the debate on the question, That the Bill be now read a second time—

Debate resumed.

Ordered—That Mr. Abbott be granted an extension of time.

Debate continued.

Ordered—That Mr. Hutchinson be granted an extension of time.

Debate continued.

Mr. Wilson 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.

10. ADJOURNMENT.—Mr. Chifley (Treasurer) moved, That the House do now adjourn.

Question—put and passed.

And then the House, at six minutes past eleven o'clock p.m., adjourned until to-morrow at half-past ten o'clock a.m.

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except Mr. Blain*, Mr. Clark, Mr. Curtin, Mr. Evatt, Mr. Forde, Mr. Gaha, Mr. McEwen, Mr. Pollard, Mr. Scully, Mr. Spender, Sir Frederick Stewart, Mr. Watkins, and Mr. Williams.

* On leave.

F. C. GREEN,

Clerk of the House of Representatives.