

1948.

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

VOTES AND PROCEEDINGS

OF THE

HOUSE OF REPRESENTATIVES.

No. 5.

WEDNESDAY, 8TH SEPTEMBER, 1948.

1. The House met, at half-past two o'clock p.m., pursuant to adjournment.—The Deputy Speaker (Mr. Clark) took the Chair, and read Prayers.
2. PETITION.—Sir Earle Page presented a Petition from certain members of the Coff's Harbour and Woolgoolga Branches of the Original Old Age and Invalid Pensioners' Association of Australia, praying that the Parliament will set up a competent tribunal to determine a pension rate to be adjusted quarterly in accordance with the cost of living, and that the operation of the means test be discontinued.
Petition received and read.
3. PUBLIC WORKS COMMITTEE—REPORT.—Mr. Conelan (for the Chairman) brought up the following Report from the Parliamentary Standing Committee on Public Works:—
Report relating to the proposed erection of a Tubercular Block and additions to Sisters' Quarters at Lady Davidson Home, Turrumurra, New South Wales.
Ordered to be printed.
4. PAPERS.—The following Papers were presented, by command of His Excellency the Governor-General—
Tariff Board—Reports—
Aviation Sparking Plugs.
Circuit Breakers or Switch Units.
Gloves (Interim Report).
Gloves N.E.L., including Mittens.
Hand and Breast Drills and Carpenters' Braces.
Spectacle Frames and Mountings, Optical Lenses and Blanks.
Severally ordered to lie on the Table.
The following Papers were presented, pursuant to Statute—
Commonwealth Public Service Act—Appointments—Department—
Defence—D. J. Richardson.
Health—A. T. Stocker.
Postmaster-General—W. E. Beard, D. A. W. Bluett, W. A. Brooker, G. D. R. E. Edmonds,
P. O. Gillard, E. A. King-Smith, K. E. White.
Defence (Transitional Provisions) Act—
National Security (Prices) Regulations—Orders—Nos. 3333, 3366, 3373-3391.
Regulations—Statutory Rules 1948, No. 109.
Land Tax Assessment Act—Applications for relief dealt with during the year 1947-48.
5. SUSPENSION OF STANDING ORDERS.—Mr. Chifley (Prime Minister) moved, pursuant to notice, That so much of the Standing Orders be suspended as would prevent, before the Address in Reply is adopted, the taking of all necessary steps for the introduction of the Budget and resolutions and Bills consequent thereon, and motions for the second reading of such Bills.
Question—put and passed.
6. SUPPLY.—Mr. Chifley (Prime Minister) moved, That the House will, at a later hour this day, resolve itself into a Committee to consider the Supply to be granted to His Majesty.
Question—put and passed.

F.4574.

8th September, 1948.

7. **WAYS AND MEANS.**—Mr. Chifley (Prime Minister) moved, That the House will, at a later hour this day, resolve itself into a Committee to consider the Ways and Means for raising the Supply to be granted to His Majesty.

Question—put and passed.

8. **ADDRESS IN REPLY TO THE GOVERNOR-GENERAL'S SPEECH.**—The Order of the Day having been read for the resumption of the debate on the question—That the following Address in Reply to the Speech of His Excellency the Governor-General be agreed to :—

MAY IT PLEASE YOUR EXCELLENCY—

We, the House of Representatives of the Parliament of the Commonwealth of Australia, in Parliament assembled, desire to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the Speech which you have been pleased to address to Parliament—*And on the Amendment moved thereto by Mr. Lang, viz. :—*That the following words be added to the Address :—

“and to inform Your Excellency that because the Communist Party, as an agency of a foreign power, admits it owes no allegiance to the Commonwealth of Australia, and because its avowed objective is the overthrow of constitutional government in Australia, with force if necessary, this House is of the opinion that your advisers should be asked to take the following action to deal with the grave emergency rapidly developing within the nation to threaten its security :—

- (a) The Communist Party and its auxiliaries should be declared illegal organizations and necessary legislation should be submitted to this Parliament to deal with them as treasonable agencies ;
- (b) No Communist should be employed by the Commonwealth in any position involving the security of this country ;
- (c) The appointments of all Communists on Government boards and agencies should be terminated immediately ;
- (d) All newspaper and newsprint licences of the Communist Party and its auxiliaries should be withdrawn, and the despatch of its publications through the Post Office should be prohibited ;
- (e) All premises occupied by Communist organizations (including Marx House, Sydney) should be declared illegal premises, and all telephone facilities should be withdrawn by the Postmaster-General ;
- (f) Legislation based on the New South Wales Consorting Act should be introduced, making it illegal for members of the Communist Party to consort together ;
- (g) That the Commonwealth Conciliation and Arbitration Act should be amended to make it an offence for any registered trade union to pay any of its funds into any Communist Party organization ”—

Debate resumed.

Mr. Burke was granted leave to continue his speech when the debate is resumed.

Ordered—That the debate be now adjourned, and that the resumption of the debate be made an Order of the Day for a later hour this day.

9. **MESSAGES FROM THE GOVERNOR-GENERAL.**—ESTIMATES 1948-49.—The following Messages from His Excellency the Governor-General were presented, and were read by Mr. Deputy Speaker :—

W. J. MCKELL,
Governor-General.

Message No. 1.

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 Estimates of Revenue and Expenditure for the year ending the thirtieth day of June, One thousand nine hundred and forty-nine, and recommends an appropriation of the Consolidated Revenue Fund accordingly.

Canberra, 8th September, 1948.

W. J. MCKELL,
Governor-General.

Message No. 2.

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 Estimates of Expenditure for Additions, New Works and Other Services involving Capital Expenditure for the year ending the thirtieth day of June, One thousand nine hundred and forty-nine, and recommends an appropriation of the Consolidated Revenue Fund accordingly.

Canberra, 8th September, 1948.

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

10. **SUPPLY—BUDGET STATEMENT.**—The Order of the Day having been read for going into the Committee of Supply—

Question—That Mr. Deputy Speaker do now leave the Chair—put and passed.

Whereupon Mr. Deputy Speaker left the Chair, and the House resolved itself into the Committee of Supply.

(In the Committee.)

Mr. Chifley (Treasurer) delivered the Budget Speech and then moved, That the first item in the Estimates, under Division No. 1.—Senate—namely—

Salaries and allowances £12,000

be agreed to.

8th September, 1948.

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

The House resumed ; Mr. Burke reported accordingly.

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

11. PAPERS.—Mr. Chifley (Treasurer) presented, by command of His Excellency the Governor-General—The Budget, 1948–49—Papers presented by the Right Honorable J. B. Chifley, M.P., for the information of honorable Members on the occasion of the Budget of 1948–49.

National Income and Expenditure Estimates 1947–48.

Severally ordered to lie on the Table, and to be printed.

12. SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) BILL 1948.—Mr. Chifley (Treasurer) moved, That he have leave to bring in a Bill for an Act to amend the *Sales Tax (Exemptions and Classifications) Act 1935–1947*.

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, That the Bill be now read a second time.

Mr. Harrison (Acting 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. MESSAGE FROM THE GOVERNOR-GENERAL.—STATES GRANTS (TAX REIMBURSEMENT) BILL 1948.—The following Message from His Excellency the Governor-General was presented, and was read by Mr. Deputy Speaker :—

W. J. McKELL,
Governor-General.

Message No. 3.

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 amend the *States Grants (Tax Reimbursement) Act 1946–1947*.

Canberra, 8th September, 1948.

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

Mr. Deputy 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 amend the *States Grants (Tax Reimbursement) Act 1946–1947*.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Burke reported accordingly.

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

Ordered—That Mr. Chifley and Mr. Dedman 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, That the Bill be now read a second time.

Mr. McBride 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. MESSAGE FROM THE GOVERNOR-GENERAL.—WESTERN AUSTRALIA GRANT (WATER SUPPLY) BILL 1948.—The following Message from His Excellency the Governor-General was presented, and was read by Mr. Deputy Speaker :—

W. J. McKELL,
Governor-General.

Message No. 4.

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 a sum for the purpose of making a Grant to the State of Western Australia for the purpose of Water Supply Development.

Canberra, 8th September, 1948.

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

Mr. Deputy 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 a sum for the purpose of making a Grant to the State of Western Australia for the purpose of Water Supply Development.

8th September, 1948.

Question—put and passed.
Resolution to be reported.

The House resumed ; Mr. Burke reported accordingly.

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

Ordered—That Mr. Chifley and Mr. Dedman 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, That the Bill be now read a second time.

Mr. Hamilton 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.

15. MESSAGE FROM THE GOVERNOR-GENERAL.—WAR GRATUITY APPROPRIATION BILL 1948.—The following Message from His Excellency the Governor-General was presented, and was read by Mr. Deputy Speaker :—

W. J. MCKELL,
Governor-General.

Message No. 5.

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 establish a War Gratuity Trust Account, to provide for the Payment of Moneys to the credit of that Account, and for other purposes.

Canberra, 8th September, 1948.

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

Mr. Deputy 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 establish a War Gratuity Trust Account, to provide for the Payment of Moneys to the credit of that Account, and for other purposes.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Burke reported accordingly.

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

Ordered—That Mr. Chifley and Mr. Dedman 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, That the Bill be now read a second time.

Mr. Cameron 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. WAYS AND MEANS—CUSTOMS TARIFF AMENDMENT (NO. 1), AND EXCISE TARIFF AMENDMENT (NO. 1).—

The Order of the Day having been read for going into the Committee of Ways and Means—

Question—That Mr. Deputy Speaker do now leave the Chair—put and passed.

Whereupon Mr. Deputy Speaker left the Chair, and the House resolved itself into the Committee of Ways and Means.

(In the Committee.)

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

CUSTOMS TARIFF AMENDMENT (NO. 1).

1. That the Schedule to the *Customs Tariff* 1933–1948 be amended as hereinafter set out, and that, on and after the ninth day of September, One thousand nine hundred and forty-eight, 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* 1933–1948 as so amended.

2. That, without prejudice to the generality of paragraph 1. of these Proposals, the Governor-General may, from time to time by Proclamation declare that, from a time and date specified in the Proclamation, the Intermediate Tariff shall apply to such goods specified in the Proclamation as are the produce or manufacture of any British or foreign country specified in the Proclamation.

3. That on and after the time and date specified in a Proclamation issued in accordance with the last preceding paragraph, the Intermediate Tariff shall apply to such goods specified in the Proclamation as are the produce or manufacture of a British or foreign country specified in that Proclamation.

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4. That any Proclamation issued in accordance with paragraph 2. of these Proposals may, from time to time, be revoked or varied by a further Proclamation, and upon the revocation or variation of the Proclamation, the Intermediate Tariff shall cease to apply to the goods specified in the Proclamation so revoked, or, as the case may be, the application of the Intermediate Tariff to the goods specified in the Proclamation so varied, shall be varied accordingly.

5. That in these Proposals, unless the contrary intention appears—

“Proclamation” means a Proclamation by the Governor-General, or the person for the time being administering the government of the Commonwealth, acting with the advice of the Federal Executive Council, and published in the *Commonwealth of Australia Gazette*;

“the Intermediate Tariff” means the rates of duty set out in the Schedule to these Proposals, in the column headed “Intermediate Tariff”, in respect of goods in relation to which the expression is used.

IMPORT DUTIES.

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
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DIVISION I.—ALE, SPIRITS, AND BEVERAGES.

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

“(B) Containing more than 35 per cent. and up to and including 40 per cent. of proof spirit—in addition to the rates under sub-item (A) for each 1 per cent. or part thereof of proof spirit over 35 per cent.

9d.	1s.	1s.”
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DIVISION IV.—AGRICULTURAL PRODUCTS AND GROCERIES.

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
 (2) Wood, in boxes containing 70 matches or less - - - per gross of boxes
 (B) (1) Wax, in boxes containing over 50, but not exceeding 100 vestas
 per gross of boxes
 (2) Wood, in boxes containing over 70, but not exceeding 140 matches
 per gross of boxes
 (C) (1) Wax, for each additional 50 vestas or portion of 50 vestas per box, an additional duty - - - per gross of boxes
 (2) Wood, for each additional 70 matches or portion of 70 matches per box, an additional duty - - - per gross of boxes
 (D) N.E.I. - - - per 1,000 matches or vestas
 (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.”

6s. 2½d.	7s. 2½d.	7s. 2½d.
8s. 8½d.	9s. 7½d.	9s. 7½d.
12s. 5d.	14s. 5d.	14s. 5d.
17s. 5d.	19s. 7d.	19s. 7d.
6s. 2½d.	7s. 2½d.	7s. 2½d.
8s. 8½d.	9s. 7½d.	9s. 7½d.
1s.	1s. 1½d.	1s. 1½d.
2s.	2s.	2s.
3d.	3d.	3d.

DIVISION V.—TEXTILES, FELTS AND FURS, AND MANUFACTURES THEREOF, AND ATTIRE.

105. By omitting from sub-item (M) the words “Linen piece goods” and inserting in their stead the words “Linen piece goods and piece goods containing a mixture of fibres in which linen predominates (excepting piece goods enumerated in sub-items (AA), (D) (1), (D) (3) and (F))”.

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

“(B) N.E.I., including mittens—
 (1) Astrakhan and wool - - - ad val.
 (2) Other - - - ad val.”

Free	12½ per cent.	22½ per cent.
22½ per cent.	35 per cent.	45 per cent.”

120. By omitting the whole of paragraph (4) of sub-item (C) and inserting in its stead the following paragraph:—

“(4) Towelling, cotton or linen or cotton and linen, in the piece not defined for cutting up, of a class or kind not commercially manufactured in Australia, for use in the manufacture of art needle-work, as prescribed by Departmental By-laws ad val.”

Free	17½ per cent.	17½ per cent.”
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IMPORT DUTIES—*continued.*

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
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Division V.—Textiles, Felts and Furs, and Manufactures thereof, and Attire—*continued.*120—*continued.*

By omitting from paragraph (1) of sub-item (v) the words "Items 105 (AA), (D) (1) and (F)" and inserting in their stead the words "Items 105 (AA), 105 (D) (1), 105 (D) (3) and 105 (F)".			
By omitting the whole of paragraph (2) of sub-item (v) and inserting in its stead the following paragraph:—			
"(2) Linen; made from piece goods containing a mixture of fibres in which linen predominates (excepting piece goods enumerated in Items 105 (AA), 105 (D) (1), 105 (D) (3) and 105 (F)) - ad val.	5 per cent.	22½ per cent.	22½ per cent."
122. By omitting the whole of sub-item (c) and inserting in its stead the following sub-item:—			
"(c) Cotton cloths and material cut into shape therefor, not being felt, impregnated with oil or fatty matter and finely divided mineral matter, of a type used for polishing metalware and glassware ad val.	12½ per cent.	27½ per cent.	45 per cent."

DIVISION VI.—METALS AND MACHINERY.

174. By omitting the whole of paragraph (45) of sub-item (x). By omitting the whole of sub-item (x).			
176. By omitting the whole of sub-item (c) and inserting in its stead the following sub-item:—			
"(c) Machines and machinery, metal working—			
(1) Hand and breast drills - ad val.	17½ per cent.	35 per cent.	47½ per cent.
(2) Drilling machines n.e.i., grinding machines n.e.i., lathes n.e.i., planing and shaping machines (combined) n.e.i. - ad val.	27½ per cent.	45 per cent.	57½ per cent."
219. By omitting the whole of sub-item (c). By adding a new sub-item (c) as follows:—			
"(c) Carpenters' braces - ad val.	17½ per cent.	25 per cent.	37½ per cent."

DIVISION VII.—OILS, PAINTS, AND VARNISHES.

229. By omitting from paragraph (2) of sub-item (B) the words "and Residual Oil†" and inserting in their stead the words "residual oil†, and residual oil† enriched with a distillate from crude petroleum".			
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DIVISION IX.—DRUGS AND CHEMICALS.

269. By omitting the whole of sub-item (D) and inserting in its stead the following sub-item:—			
"(D) Nicotine and rotenone spraying preparations; liquid hydrocyanic acid gas, as prescribed by Departmental By-laws - - - - -	Free	Free	Free"

DIVISION XI.—JEWELLERY AND FANCY GOODS.

315. By omitting the words "Combined Bracelets and Watches;"			
319. By omitting the whole of paragraph (3) of sub-item (A) and inserting in its stead the following paragraph:—			
"(3) Matrices for use in connexion with the manufacture of talking machine records—			
(a) Stamping matrices - - - - - ad val.	30 per cent.	57½ per cent.	57½ per cent.
(b) Other matrices - - - - - ad val.	Free	12½ per cent.	12½ per cent."

DIVISION XVI.—MISCELLANEOUS.

373. By adding a new sub-item (c) as follows:—			
"(c) Articles imported by or purchased in bond for the official use of the United Nations Organization or a Specialized Agency of the United Nations Organization - - - - -	Free	Free	Free"
By adding a new sub-item (D) as follows:—			
"(D) Articles imported by or purchased in bond for the personal or official use of the Secretary-General or an Assistant Secretary-General of the United Nations Organization or the Executive Head or an Assistant Executive Head of a Specialized Agency of the United Nations Organization or a member of the family of any person mentioned in this sub-item - - - - -	Free	Free	Free"

8th September, 1948.

IMPORT DUTIES—continued.

Tariff Items.	British Preferential Tariff.	Intermediate Tariff.	General Tariff.
Division XVI.—Miscellaneous—continued.			
373—continued. By adding a new sub-item (E) as follows :— “(E) Furniture and effects of an Official of the United Nations Organization or a Specialized Agency of the United Nations Organization provided importation is made at the time such official first takes up post in Australia	Free	Free	Free ”
380. By omitting the whole of sub-item (B) and inserting in its stead the following sub-item :— “(B) Vacuum cleaners, viz. :— (1) Household electrically operated of the outside bag and inside bag or barrel types each and ad val. or ad val. whichever rate returns the higher duty. (2) Parts of household electrically operated vacuum cleaners of the outside bag and inside bag or barrel types - ad val. (3) Other vacuum cleaners, including parts thereof - - - ad val.	20s. 20 per cent.	20s. 17½ per cent. 37½ per cent.	30s. 17½ per cent. 47½ per cent.
404. By omitting the whole item.	Free	17½ per cent.	17½ per cent.”
404A. By omitting the whole item.			
408. By omitting from paragraph (1) of sub-item (B) (second time occurring) the item “144 (B) (1) (a)” and inserting in its stead “144 (E) (1)”.			
415A. By omitting the whole item.			
434. By omitting the whole item.			
449. By adding a new item 449 as follows :— “449. (A) Materials and manufactures for use in the manufacture or repair of goods within the Commonwealth, or for use in the development of an Australian industry or of the natural resources of Australia, or for use in public hospitals or public educational institutions, or for use by public utilities established under Commonwealth or State law and not being conducted for private gain, or for other essential purposes, viz. :— (1) Being of a class or kind not commercially produced or manufactured in Australia, as prescribed by Departmental By-laws ad val. (2) Being of a class or kind not commercially produced or manufactured in Australia or the United Kingdom, as prescribed by Departmental By-laws - - -	Free	12½ per cent.	12½ per cent.
(B) Goods of the classes which may be prescribed by Departmental By-laws under sub-item (A) or under Items 103 (B), 228 (A) (1) or 229 (B) (3), but which are for such use as in the opinion of the Minister does not justify the application of the rates of duty operating under such sub-item or items, as prescribed by Departmental By-laws ad val.	Free	Free	Free
	5 per cent.	17½ per cent.	17½ per cent.”

EXCISE TARIFF AMENDMENT (No. 1).

That the Schedule to the *Excise Tariff* 1921-1948 be amended as hereinafter set out, and that, on and after the ninth day of September, One thousand nine hundred and forty-eight, or such earlier date as is specified in the Schedule to these Proposals, 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* 1921-1948 as so amended.

2. That, without prejudice to the generality of the preceding paragraph of these Proposals, where—

(a) it is provided that an item or portion of an item in the Schedule to the *Excise Tariff* 1921-1948 shall be omitted on a date to be fixed by Proclamation, the Governor-General may, by Proclamation, fix a date on which that item or portion of an item is omitted; and

(b) in respect of any goods covered by an item or portion of an item in these Proposals, it is provided that the rates of duty in respect of those goods shall be imposed on and after a date to be fixed by Proclamation, the Governor-General may, by Proclamation, fix a date on and after which the rates of duty in respect of those goods shall be imposed.

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EXCISE DUTIES.

Articles.	Rate of Duty.
2. By omitting the whole of sub-item (I), such omission to be effective on a date to be fixed by Proclamation.	
5. By adding a new item 5 as follows :— “ On and after a date to be fixed by Proclamation—	
5. Liqueurs—	
(A) As prescribed by Departmental By-laws	per proof gallon 55s. 6d.
(B) N.E.I.	per proof gallon 65s. 6d.”
10. By adding a new sub-item (F) as follows :— “ (F) Articles which are owned (prior to clearance for home consumption) by and are for the official use of the United Nations Organization or a Specialized Agency of the United Nations Organization	Free.”
By adding a new sub-item (c) as follows :— “ (c) Articles which are owned (prior to clearance for home consumption) by and are for the personal or official use of the Secretary-General or an Assistant Secretary-General of the United Nations Organization or the Executive Head or an Assistant Executive Head of a Specialized Agency of the United Nations Organization or a member of the family of any person mentioned in this sub-item	Free.”
11. By omitting the whole of paragraph (3) (twice occurring) of sub-item (A) and inserting in its stead the following paragraph :— “ (3) Produced from shale mined in Australia	Free.”
By adding to sub-item (B) a new paragraph (3) as follows :— “ (3) Produced from shale mined in Australia	Free.”
By omitting the whole of paragraph (2) (twice occurring) of sub-item (c) and inserting in its stead the following paragraph :— “ (2) Produced directly or indirectly from coal mined in Australia	Free.”
15. By omitting the whole item and inserting in its stead the following item :— “ On and after 1st July, 1948—	
15. Matches	per 8,640 matches 7s. 3d.”

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

The House resumed ; Mr. Burke reported accordingly.

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

17. WAYS AND MEANS—INCOME TAX AND SOCIAL SERVICES CONTRIBUTION.—The House, according to Order, again resolved itself into the Committee of Ways and Means.

(In the Committee.)

Mr. Dedman (Minister for Defence) moved—

INCOME TAX.

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

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

(a) If the taxable income does not exceed £1,000 the rate of tax for every £1 of taxable income up to and including £350 shall be nil and the rate of tax for every £1 of taxable income in excess of £350 shall be 21.03 pence increasing uniformly by .03 of one penny for every £1 by which the taxable income exceeds £351.

(b) If the taxable income exceeds £1,000 but does not exceed £2,000 the rate of tax for every £1 of taxable income up to and including £1,000 shall be 26.325 pence and the rate of tax for every £1 of taxable income in excess of £1,000 shall be 60.02 pence increasing uniformly by .02 of one penny for every £1 by which the taxable income exceeds £1,001.

(c) If the taxable income exceeds £2,000 but does not exceed £5,000 the rate of tax for every £1 of taxable income up to and including £2,000 shall be 53.1625 pence and the rate of tax for every £1 of taxable income in excess of £2,000 shall be 100.009 pence increasing uniformly by .009 of one penny for every £1 by which the taxable income exceeds £2,001.

(d) If the taxable income exceeds £5,000 but does not exceed £9,000 the rate of tax for every £1 of taxable income up to and including £5,000 shall be 97.465 pence and the rate of tax for every £1 of taxable income in excess of £5,000 shall be 154.001 pence increasing uniformly by .001 of one penny for every £1 by which the taxable income exceeds £5,001.

(e) If the taxable income exceeds £9,000 the rate of tax for every £1 of taxable income up to and including £9,000 shall be 124.3694 pence and the rate of tax for every £1 of taxable income in excess of £9,000 shall be 162 pence.

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

(a) If the taxable income does not exceed £500 the rate of tax for every £1 of taxable income up to and including £350 shall be nil and the rate of tax for every £1 of taxable income in excess of £350 shall be 30.06 pence increasing uniformly by .06 of one penny for every £1 by which the taxable income exceeds £351.

(b) If the taxable income exceeds £500 but does not exceed £1,000 the rate of tax for every £1 of taxable income up to and including £500 shall be 11.7 pence and the rate of tax for every £1 of taxable income in excess of £500 shall be 48.03 pence increasing uniformly by .03 of one penny for every £1 by which the taxable income exceeds £501.

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(c) If the taxable income exceeds £1,000 but does not exceed £2,000 the rate of tax for every £1 of taxable income up to and including £1,000 shall be 37.35 pence and the rate of tax for every £1 of taxable income in excess of £1,000 shall be 78.021 pence increasing uniformly by .021 of one penny for every £1 by which the taxable income exceeds £1,001.

(d) If the taxable income exceeds £2,000 but does not exceed £5,000 the rate of tax for every £1 of taxable income up to and including £2,000 shall be 68.175 pence and the rate of tax for every £1 of taxable income in excess of £2,000 shall be 120.007 pence increasing uniformly by .007 of one penny for every £1 by which the taxable income exceeds £2,001.

(e) If the taxable income exceeds £5,000 the rate of tax for every £1 of taxable income up to and including £5,000 shall be 111.87 pence and the rate of tax for every £1 of taxable income in excess of £5,000 shall be 162 pence.

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

(a) For every £1 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 £1 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 £1 of taxable income derived from personal exertion by a taxpayer to whose income Division 16 of Part III. of the *Income Tax Assessment Act 1936-1948* 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 £1 of taxable income derived from property by such a taxpayer, 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.—Rates of Tax by Reference to a Notional Income.

(a) For every £1 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 1936-1948*, 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 notional income by that notional income.

(b) For every £1 of the actual taxable income from property of such a taxpayer, 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 notional income by that notional income.

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

For every £1 of the taxable income in respect of which a trustee is liable, in pursuance of either section ninety-eight or section ninety-nine of the *Income Tax Assessment Act 1936-1948*, to be assessed and to pay tax, the rate of tax shall be the rate that 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, other than a Company in the Capacity of Trustee.

(a) In the case of a company which is not a life assurance company, the rates of tax shall be—

- (i) for every £1 of so much of the taxable income as does not exceed Five thousand pounds—Sixty pence; and
- (ii) for every £1 of the remainder of the taxable income—Seventy-two pence.

(b) In the case of a mutual life assurance company, the rates of tax shall be—

- (i) for every £1 of so much of the taxable income as does not exceed Five thousand pounds—Forty-eight pence; and
- (ii) for every £1 of the remainder of the taxable income—Sixty pence.

(c) In the case of a life assurance company other than a mutual life assurance company, the rate of tax shall be—

- (i) for every £1 of so much 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 1936-1948*, as does not exceed Five thousand pounds—Forty-eight pence;
- (ii) for every £1 of the remainder of the mutual income of the company, as so defined—Sixty pence;

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(iii) for every £1 of so much of the taxable income of the company, other than mutual income as so defined, as does not exceed the amount by which the mutual income of the company, as so defined, is less than Five thousand pounds—Sixty pence ; and

(iv) for every £1 of that part of the taxable income to which none of the preceding provisions of this sub-paragraph applies—Seventy-two pence.

(d) For every £1 of that portion of the taxable income which has not been distributed as dividends, on which the company is liable, in pursuance of Part IIIA. of the *Income Tax Assessment Act 1936-1948*, to pay further tax, the rate of further tax shall be Twenty-four pence.

(e) For every £1 of interest in respect of which a company is liable, in pursuance of sub-section (1.) of section one hundred and twenty-five of the *Income Tax Assessment Act 1936-1948*, to pay income tax, the rate of tax shall be Seventy-two pence.

Division H.—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—

(a) in addition to any income tax payable under the preceding provisions of this Resolution, there be payable, subject to sub-paragraph (b) of this paragraph, 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 ; and

(b) the last preceding sub-paragraph do not apply to—

(i) the assessment of a company as a trustee ;

(ii) a private company as defined in section one hundred and three of the *Income Tax Assessment Act 1936-1948* ;

(iii) a co-operative company as defined in section one hundred and seventeen of the *Income Tax Assessment Act 1936-1948* ;

(iv) a mutual life assurance company, as defined in sub-section (1A.) of section one hundred and sixty c of the *Income Tax Assessment Act 1936-1948*, or the mutual income, as defined in that sub-section, 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 which commenced on the first day of July, One thousand nine hundred and forty-eight, upon the taxable income derived during the year of income as defined by section six of the *Income Tax Assessment Act 1936-1948*.

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

5. That provisional tax be imposed, and be payable in accordance with the provisions of the *Income Tax Assessment Act 1936-1948*, in respect of the income of the year of income ending on the thirtieth day of June, One thousand nine hundred and forty-nine.

6. That in this Resolution the expression "*Income Tax Assessment Act 1936-1948*" mean the *Income Tax Assessment Act 1936-1947*, as proposed to be amended by the *Income Tax Assessment Bill 1948*.

SOCIAL SERVICES CONTRIBUTION.

1. That, notwithstanding anything contained in section five of the *Social Services Contribution Act 1945-1947*, where a person has, in accordance with section two hundred and twenty-one H of the *Income Tax Assessment Act 1936-1947*, forwarded to the Commissioner any tax stamps sheet or group certificate issued to him in respect of deductions made in a year from his salary or wages, and the difference between the available deductions and the contribution which would otherwise be payable by that person in respect of the contributable income derived by him in that year is not more than Two shillings, the contribution payable by that person in respect of that contributable income be an amount equal to the available deductions.

2. That the preceding paragraph of this Resolution do not apply --

(a) in relation to a person who is liable to pay provisional contribution in respect of his income of the year immediately succeeding the year referred to in that paragraph ;
or

(b) in any case in which the amount of contribution which would, apart from that paragraph, be payable is Ten shillings and the available deductions are more than Ten shillings.

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3. That in the two preceding paragraphs of this Resolution "the available deductions" mean the amount by which the sum of the amount represented by the face value of the tax stamps duly affixed to any tax stamps sheet referred to in paragraph 1 of this Resolution and the amount of the deductions specified in any group certificate so referred to exceeds the income tax (if any) which the person so referred to is liable to pay in respect of income derived in the year so referred to.

4. That, in lieu of the basic rate of contribution and the concessional rate of contribution set out in paragraphs (1.) and (2.) of the First Schedule to the *Social Services Contribution Act* 1945-1947, the following rates apply:—

(1.) The basic rate of contribution for every £1 of the contributable income shall be Threepence, increasing uniformly by three-fiftieths of one penny for every £1 by which the contributable income exceeds £100, but the rate shall not in any case exceed One shilling and sixpence.

(2.) The concessional rate of contribution for every £1 of the contributable income shall be the rate which bears the same proportion to the basic rate as the amount by which the contributable income exceeds the rebatable amount bears to—

(a) the contributable income; or

(b) Three hundred and fifty pounds,

whichever is the lesser amount, but if the rate so ascertained exceeds the basic rate, the concessional rate of contribution shall be the same as the basic rate.

5. That paragraphs 1, 2 and 3 of this Resolution apply to all assessments for the financial year which commenced on the first day of July, One thousand nine hundred and forty-seven, and all subsequent years.

6. That paragraph 4 of this Resolution do not apply to assessments for a financial year prior to that which commenced on the first day of July, One thousand nine hundred and forty-eight. Progress to be reported, and leave asked to sit again.

The House resumed; Mr. Burke reported accordingly.

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

18. INCOME TAX ASSESSMENT BILL 1948.—Mr. Dedman (Minister for Defence) moved, That he have leave to bring in a Bill for an Act to amend the *Income Tax Assessment Act* 1936-1947.

Question—put and passed.

Mr. Dedman 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. Dedman moved, That the Bill be now read a second time.

Mr. Fadden 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.

19. SOCIAL SERVICES CONTRIBUTION ASSESSMENT BILL 1948.—Mr. Dedman (Minister for Defence) moved, That he have leave to bring in a Bill for an Act to amend the *Social Services Contribution Assessment Act* 1945-1947.

Question—put and passed.

Mr. Dedman 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. Dedman moved, That the Bill be now read a second time.

Mr. Ryan 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.

20. MESSAGE FROM THE GOVERNOR-GENERAL.—LOAN (HOUSING) BILL 1948.—The following Message from His Excellency the Governor-General was presented, and was read by Mr. Deputy Speaker:—

W. J. McKELL,

Governor-General.

Message No. 6.

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 moneys be made for the purposes of a Bill for an Act to authorize the Raising of Moneys to be advanced to the States for the purposes of Housing.

Canberra, 8th September, 1948.

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

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

(In the Committee.)

Mr. Lemmon (Minister for Works and Housing) moved, That it is expedient that an appropriation of moneys be made for the purposes of a Bill for an Act to authorize the Raising of Moneys to be advanced to the States for the purposes of Housing.

Question—put and passed.

Resolution to be reported.

8th September, 1948.

The House resumed ; Mr. Burke reported accordingly.

The Resolution reported from the Committee was read, and, on the motion of Mr. Lemmon, was adopted by the House.

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

Mr. Lemmon 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. Lemmon moved, That the Bill be now read a second time.

Mr. Harrison (Acting 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.

21. MESSAGE FROM THE GOVERNOR-GENERAL.—COMMONWEALTH AID ROADS AND WORKS BILL 1948.—

The following Message from His Excellency the Governor-General was presented, and was read by Mr. Deputy Speaker : -

W. J. McKELL,

Governor-General.

Message No. 7.

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 amend the *Commonwealth Aid Roads and Works Act 1947*.

Canberra, 8th September, 1948.

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

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

(In the Committee.)

Mr. Ward (Minister for Transport) moved, That it is expedient that an appropriation of revenue be made for the purposes of a Bill for an Act to amend the *Commonwealth Aid Roads and Works Act 1947*.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Burke reported accordingly.

The Resolution reported from the Committee was read, and, on the motion of Mr. Ward, was adopted by the House.

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

Mr. Ward 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. Ward moved, That the Bill be now read a second time.

Mr. McDonald 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.

22. ADJOURNMENT.—Mr. Holloway (Minister for Labour and National Service) moved, That the House do now adjourn.

Question—put and passed.

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

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except Mr. Beale, Mr. Beazley, Mr. Blain, Mr. Edmonds, Mr. Evatt, Mr. Falstein, Mr. Holt, Mr. Howse, Mr. James, Dame Enid Lyons, Mr. Menzies, Mr. Mulcahy, Mr. Rankin, Mr. Rosevear, Mr. Russell, Mr. Scullin, Mr. Sheehy and Mr. Spender.

F. C. GREEN,

Clerk of the House of Representatives.