

1956.

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

VOTES AND PROCEEDINGS

OF THE

HOUSE OF REPRESENTATIVES.

No. 70.

THURSDAY, 11TH OCTOBER, 1956.

1. The House met, at half-past ten o'clock a.m., pursuant to adjournment.—Mr. Speaker (the Honorable J. McLeay) took the Chair, and read Prayers.
2. PAPER.—The following Paper was presented, pursuant to Statute—
Dairy Produce Export Control Act—Australian Dairy Produce Board—Thirty-first Annual Report, for year 1955-56, together with Statement by Minister regarding the operation of the Act.
3. MESSAGE FROM THE ADMINISTRATOR—LOAN (HOUSING) BILL 1956.—Mr. Speaker announced the receipt of the following Message from His Excellency the Administrator of the Government of the Commonwealth :—

J. NORTHCOTT,
Administrator.

Message No. 51.

In accordance with the requirements of section fifty-six of the Constitution of the Commonwealth of Australia, the Administrator of the Government of the Commonwealth recommends to the House of Representatives that an appropriation of moneys be made for the purpose of a Bill for an Act to authorize the Raising and Expending of Moneys for the purposes of Housing.

Canberra, 10th October, 1956.

Ordered—That the 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. Fairhall (Minister representing the Minister for National Development) moved, That it is expedient that an appropriation of moneys be made for the purpose of a Bill for an Act to authorize the Raising and Expending of Moneys for the purposes of Housing.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Adermann reported accordingly.

Mr. Fairhall moved, pursuant to contingent notice, That so much of the Standing Order. be suspended as would prevent the remaining stages being passed without delay.

Question—put and passed.

On the motion of Mr. Fairhall, the Resolution reported from the Committee was adopted by the House.

Ordered—That Mr. Fairhall and Mr. D. A. Cameron do prepare and bring in a Bill to carry out the foregoing Resolution.

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

Debate adjourned (Mr. Edmonds), and the resumption of the debate made an Order of the Day for the next sitting.

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4. MESSAGE FROM THE ADMINISTRATOR—LOAN (WAR SERVICE LAND SETTLEMENT) BILL 1956.—Mr. Speaker announced the receipt of the following Message from His Excellency the Administrator of the Government of the Commonwealth :—

J. NORTHCOTT,
Administrator.

Message No. 52.

In accordance with the requirements of section fifty-six of the Constitution of the Commonwealth of Australia, the Administrator of the Government of the Commonwealth recommends to the House of Representatives that an appropriation of moneys be made for the purposes of a Bill for an Act to approve the Borrowing of Moneys for a Defence Purpose, namely Financial Assistance to the States in connexion with War Service Land Settlement, and to authorize the expending of those Moneys.

Canberra, 26th September, 1956.

Ordered—That the 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. McMahon (Minister for Primary Industry) moved, That it is expedient than an appropriation of moneys be made for the purposes of a Bill for an Act to approve the Borrowing of Moneys for a Defence Purpose, namely Financial Assistance to the States in connexion with War Service Land Settlement, and to authorize the expending of those Moneys.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Adermann reported accordingly.

Mr. McMahon moved, pursuant to contingent notice, That so much of the Standing Orders be suspended as would prevent the remaining stages being passed without delay.

Question—put and passed.

On the motion of Mr. McMahon, the Resolution reported from the Committee was adopted by the House.

Ordered—That Mr. McMahon and Sir Philip McBride do prepare and bring in a Bill to carry out the foregoing Resolution.

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

Debate adjourned (Mr. Chambers), and the resumption of the debate made an Order of the Day for the next sitting.

5. WAYS AND MEANS [“ GRIEVANCE DAY ” AND INCOME TAX AND SOCIAL SERVICES CONTRIBUTION (INDIVIDUALS)].—Pursuant to the provisions of Standing Order No. 291, the Order of the Day having been read for going into the Committee of Ways and Means—

Question—That the 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. McMahon (Minister for Primary Industry) moved—

INCOME TAX AND SOCIAL SERVICES CONTRIBUTION (INDIVIDUALS).

Interpretation.

1.—(1.) That, in this Resolution—

“ person ” do not include a company, other than a company in the capacity of a trustee ;

“ the Assessment Act ” mean the *Income Tax and Social Services Contribution Assessment Act 1936–1956*, as proposed to be amended by the *Income Tax and Social Services Contribution Assessment Bill (No. 3) 1956*.

(2.) That a reference in this Resolution to taxable income be read as a reference to taxable income of the year of income.

Incorporation.

2. That the Assessment Act be incorporated and read as one with the Act passed to give effect to this Resolution.

Imposition of Income Tax and Social Services Contribution.

3.—(1.) That a tax, payable by persons, by the name of income tax and social services contribution be imposed in accordance with this Resolution and at the rates declared in this Resolution.

(2.) That, notwithstanding anything contained in this Resolution, income tax and social services contribution be not imposed upon a taxable income which does not exceed One hundred and four pounds derived by a person.

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Rates of Income Tax and Social Services Contribution Payable by Persons.

4.—(1.) That the rates of income tax and social services contribution payable by a person be as set out in the First Schedule to this Resolution.

(2.) That the rates of income tax and social services contribution in respect of a taxable income to which Division 16 of Part III. of the Assessment Act applies be as set out in the Second Schedule to this Resolution.

(3.) That the rate of income tax and social services contribution in respect of a taxable income in any case where section eighty-six or section one hundred and fifty-eight D of the Assessment Act applies be as set out in the Third Schedule to this Resolution.

(4.) That the rate of income tax and social services contribution payable by a trustee be as set out in the Fourth Schedule to this Resolution.

Limitation of Tax and Contribution Payable by Aged Persons.

5.—(1.) That this paragraph apply to a taxpayer who—

(a) being a man, has attained the age of sixty-five years, or, being a woman, has attained the age of sixty years, on or before the last day of the year of income; and

(b) is a resident of Australia during the whole of the year of income, but do not apply to a taxpayer in the capacity of a trustee.

(2.) That where the net income of a taxpayer to whom this paragraph applies does not exceed Four hundred and thirty-four pounds, the maximum amount of income tax and social services contribution payable by him be nine-twentieths of the amount by which his net income exceeds Three hundred and ninety pounds, or, if his net income does not exceed Three hundred and ninety pounds, no income tax and social services contribution be payable by him.

(3.) That where the net income of a taxpayer to whom this paragraph applies does not exceed One thousand and thirty pounds and during the year of income the taxpayer contributes to the maintenance of—

(a) his wife, being a person who is a resident of Australia during the whole of the year of income and has attained the age of sixty years on or before the last day of that year; or

(b) her husband, being a person who is a resident of Australia during the whole of the year of income and has attained the age of sixty-five years on or before that day, the maximum amount of income tax and social services contribution payable by the taxpayer be nine-twentieths of the amount by which the sum of the net incomes of the taxpayer and his or her spouse exceeds Seven hundred and eighty pounds, or, if the sum of those net incomes does not exceed Seven hundred and eighty pounds, no income tax and social services contribution be payable by the taxpayer.

(4.) That, for the purposes of this paragraph, the net income of a person be ascertained by deducting from the gross income of that person all expenses (not being expenses of a capital, private or domestic nature) incurred in deriving that gross income.

Minimum Tax and Contribution.

6. That where, but for this paragraph, the amount of income tax and social services contribution which a person would be liable to pay under the preceding provisions of this Resolution, after deducting all rebates to which that person is entitled in his assessment, is less than Ten shillings, the income tax and social services contribution payable by that person be Ten shillings.

Elimination of Pence.

7. That where the amount of the income tax and social services contribution which a person would be liable to pay under the preceding provisions of this Resolution, before deducting any rebate or credit to which that person is entitled in his assessment, is an amount of pounds, shillings and pence or shillings and pence—

(a) if the pence do not exceed six—the amount be deemed to be reduced by the amount of the pence; and

(b) if the pence exceed six—the amount be deemed to be increased by treating the pence as One shilling.

Tax and Contribution where Amount to be Collected or Refunded would not exceed Two Shillings.

8.—(1.) That, notwithstanding anything contained in the preceding provisions of this Resolution, where a person has, in accordance with section two hundred and twenty-one H of the Assessment Act, forwarded to the Commissioner a 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 income tax and social services contribution which would, but for this sub-paragraph, be payable by that person in respect of the taxable income derived by him in that year is not more than Two shillings, the income tax and social services contribution payable by that person in respect of that taxable income be an amount equal to the available deductions.

(2.) That the last preceding sub-paragraph do not apply—

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

(b) in any case in which the amount of income tax and social services contribution which would, but for this paragraph, be payable is Ten shillings and the available deductions exceed Ten shillings.

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(3.) That, in this paragraph, "the available deductions" mean the sum of the amount represented by the face value of the tax stamps duly affixed to a tax stamps sheet referred to in sub-paragraph (1.) of this paragraph and the amount of the deductions specified in a group certificate so referred to.

Levy of Income Tax and Social Services Contribution.

9.—(1.) That the income tax and social services contribution imposed in pursuance of 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 fifty-six.

(2.) That, until the commencement of an Act for the levying and payment of income tax and social services contribution payable by persons for the financial year commencing on the first day of July, One thousand nine hundred and fifty-seven, the Act passed to give effect to the preceding 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 fifty-six.

Provisional Tax and Contribution.

10. That provisional tax and contribution be imposed and be payable, in accordance with the provisions of the Assessment Act, in respect of the income of the year of income which commenced on the first day of July, One thousand nine hundred and fifty-six.

Repeal.

11. That the provisions of sub-section (2.) of section twelve of the *Income Tax and Social Services Contribution Act 1955*, and of section nine of the *Income Tax and Social Services Contribution (Companies) Act 1956*, cease to have effect.

THE SCHEDULES.

FIRST SCHEDULE.

GENERAL RATES OF TAX AND CONTRIBUTION PAYABLE BY PERSONS.

The rate of income tax and social services contribution for every £1 of each part of the taxable income specified in the first column of the following table is the rate set out in the second column of that table opposite to the reference to that part of the taxable income :—

First Column. Parts of Taxable Income.	Second Column. Rates.
The part of the taxable income which—	
does not exceed £100	One penny
exceeds £100 but does not exceed £150	3 pence
exceeds £150 but does not exceed £200	7 pence
exceeds £200 but does not exceed £250	11 pence
exceeds £250 but does not exceed £300	15 pence
exceeds £300 but does not exceed £400	20 pence
exceeds £400 but does not exceed £500	26 pence
exceeds £500 but does not exceed £600	30 pence
exceeds £600 but does not exceed £700	34 pence
exceeds £700 but does not exceed £800	38 pence
exceeds £800 but does not exceed £900	42 pence
exceeds £900 but does not exceed £1,000	46 pence
exceeds £1,000 but does not exceed £1,200	52 pence
exceeds £1,200 but does not exceed £1,400	59 pence
exceeds £1,400 but does not exceed £1,600	65 pence
exceeds £1,600 but does not exceed £1,800	71 pence
exceeds £1,800 but does not exceed £2,000	77 pence
exceeds £2,000 but does not exceed £2,400	85 pence
exceeds £2,400 but does not exceed £2,800	92 pence
exceeds £2,800 but does not exceed £3,200	99 pence
exceeds £3,200 but does not exceed £3,600	105 pence
exceeds £3,600 but does not exceed £4,000	111 pence
exceeds £4,000 but does not exceed £4,400	117 pence
exceeds £4,400 but does not exceed £5,000	124 pence
exceeds £5,000 but does not exceed £6,000	132 pence
exceeds £6,000 but does not exceed £8,000	139 pence
exceeds £8,000 but does not exceed £10,000	145 pence
exceeds £10,000 but does not exceed £16,000	152 pence
exceeds £16,000	160 pence

SECOND SCHEDULE.

RATES OF TAX AND CONTRIBUTION BY REFERENCE TO AN AVERAGE INCOME.

In the case of a taxpayer to whose income Division 16 of Part III. of the Assessment Act applies, the rates of income tax and social services contribution are—

- (a) for every £1 of so much of the taxable income as does not exceed Four thousand pounds—
- (i) the rate ascertained by applying the rates set forth in the First Schedule to a taxable income equal to his average income and dividing the resultant amount by a number equal to the number of whole pounds in that average income ; or
- (ii) 71.775 pence,
whichever is the less ; and
- (b) for every £1 of the remainder of the taxable income, the rate ascertained by deducting the amount of One thousand one hundred and ninety-six pounds five shillings from the tax and contribution which would be payable if the rates set forth in the First Schedule were applied to the total taxable income and dividing the resultant amount by a number equal to the number of whole pounds in that remainder.

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THIRD SCHEDULE.

RATE OF TAX AND CONTRIBUTION BY REFERENCE TO A NOTIONAL INCOME.

For every £1 of the taxable income of a taxpayer deriving a notional income, as specified by section eighty-six or section one hundred and fifty-eight D of the Assessment Act, the rate of income tax and social services contribution is the rate ascertained by dividing the tax and contribution which would be payable under the First Schedule upon a taxable income equal to his notional income by a number equal to the number of whole pounds in that notional income.

FOURTH SCHEDULE.

RATE OF TAX AND CONTRIBUTION 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 Assessment Act, to be assessed and to pay tax and contribution, the rate of income tax and social services contribution is the rate which would be payable under the First, Second or Third Schedule, as the case requires, if one individual were liable to be assessed and to pay tax and contribution on that taxable income.

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

The House resumed; Mr. Adermann reported accordingly.

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

6. SUPPLY—ESTIMATES 1956-57.—The House, according to Order, resolved itself into the Committee of Supply.

(In the Committee.)

Vote—"Miscellaneous Services, £23,381,000"—
 Vote—"Refunds of Revenue, £22,000,000"—
 Vote—"Advance to the Treasurer, £16,000,000"—
 Vote—"Bounties and Subsidies, £13,500,000"—
 Vote—"War and Repatriation Services, £17,306,000"—
 Vote—"Commonwealth Railways, £3,697,000"—
 Vote—"Postmaster-General's Department, £87,123,000"—
 Vote—"Broadcasting and Television Services, £6,802,000"—

Votes further debated and agreed to.

Vote—"Northern Territory, £3,735,000"—
 Vote—"Australian Capital Territory, £2,716,000"—
 Vote—"Norfolk Island, £36,000"—
 Vote—"Papua and New Guinea, £9,370,400"—
 Vote—"Cocos (Keeling) Islands, £22,600"—
 Vote—"Part 4.—Payments to or for the States—Department of Health, £1,925,000"—
 Vote—"Part 5.—Self-balancing Items—Department of Primary Industry, £150,000"—
 considered together.

Votes debated and agreed to.

Mr. H. E. Holt (Minister for Labour and National Service) moved, That the following Resolution be reported to the House—

That, including the sum already voted for such services, there be granted to Her Majesty a sum not exceeding £453,804,000 for the services of the year 1956-57, viz. :—

PART I.—DEPARTMENTS AND SERVICES—OTHER THAN BUSINESS UNDERTAKINGS AND TERRITORIES OF THE COMMONWEALTH.

	£
Parliament	875,000
Prime Minister's Department	2,689,000
Department of External Affairs	2,061,000
Department of the Treasury	9,158,000
Attorney-General's Department	1,729,000
Department of the Interior	4,334,000
Department of Works	3,134,000
Department of Civil Aviation	8,747,000
Department of Customs and Excise	3,922,000
Department of Health	1,516,000
Department of Trade	1,440,000
Department of Primary Industry	1,506,000
Department of Social Services	2,796,000
Department of Shipping and Transport	1,139,000
Department of Territories	234,000
Department of Immigration	1,862,000
Department of Labour and National Service	2,013,000
Department of National Development	1,107,000
Commonwealth Scientific and Industrial Research Organization	5,000,000
Australian Atomic Energy Commission	778,000

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Defence Services—	£	£
Department of Defence	890,000	
Department of the Navy	39,065,000	
Department of the Army	60,284,000	
Department of Air	53,750,000	
Department of Supply	15,132,000	
Department of Defence Production	19,891,000	
Other Services	988,000	
	<hr/>	190,000,000
Miscellaneous Services		23,381,000
Refunds of Revenue		22,000,000
Advance to the Treasurer		16,000,000
Bounties and Subsidies		13,500,000
War and Repatriation Services		17,305,000
		<hr/>
Total PART 1		338,227,000
PART 2.—BUSINESS UNDERTAKINGS.		
Commonwealth Railways		3,697,000
Postmaster-General's Department		87,123,000
Broadcasting and Television Services		6,802,000
		<hr/>
Total PART 2		97,622,000
PART 3.—TERRITORIES OF THE COMMONWEALTH.		
Northern Territory		3,735,000
Australian Capital Territory		2,716,000
Norfolk Island		36,000
Papua and New Guinea		9,370,400
Cocos (Keeling) Islands		22,600
		<hr/>
Total PART 3		15,880,000
PART 4.—PAYMENTS TO OR FOR THE STATES.		
Department of Health		1,925,000
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PART 5.—SELF-BALANCING ITEMS.		
Department of Primary Industry		150,000
		<hr/>
TOTAL		453,804,000

Question—put and passed.

Leave to be asked to sit again.

The House resumed; Mr. Adermann reported accordingly.

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

On the motion of Mr. Holt, the Resolution reported from the Committee was adopted by the House.

7. WAYS AND MEANS—ESTIMATES 1956-57.—The House, according to Order, again resolved itself into the Committee of Ways and Means.

(In the Committee.)

Mr. H. E. Holt (Minister for Labour and National Service) moved, That, towards making good the Supply granted to Her Majesty for the service of the year 1956-57, there be granted out of the Consolidated Revenue Fund the sum of £292,836,000.

Question—put and passed.

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

The House resumed; Mr. Adermann reported accordingly.

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

On the motion of Mr. Holt, the Resolution reported from the Committee was adopted by the House.

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

8. APPROPRIATION BILL 1956-57.—Mr. H. E. Holt (Minister for Labour and National Service) then brought up a Bill intituled “ *A Bill for an Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending the thirtieth day of June, One thousand nine hundred and fifty-seven, and to appropriate the Supplies granted by the Parliament for that year* ”, and moved, That it be now read a first time.

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

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

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

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

(*In the Committee.*)

Clauses 1 and 2, by leave, taken together, and agreed to.

Clause 3—

Mr. Crean moved, That the clause be postponed.

Debate ensued.

Limitation of Debate.—At eleven o'clock p.m., the Chairman having called the attention of the Committee to the fact that the time allotted for the Bill had expired—

Question—That the clause be postponed—put.

The Committee divided (The Chairman, Mr. Adermann, in the Chair)—

AYES, 24.				
Mr. Bird	Mr. Clarey	Mr. Daly	Mr. Kearney	Mr. Peters
Mr. Bryant	Mr. Cope	Mr. Edmonds	Mr. Lawson	Mr. Whitlam
Mr. Cairns	Mr. Coutts	Mr. Galvin	Mr. McIvor	<i>Tellers:</i>
Mr. Calwell	Mr. Crean	Mr. R. W. Holt	Mr. Minogue	Mr. Costa
Mr. Chambers	Mr. Curtin	Mr. L. R. Johnson	Mr. O'Connor	Mr. Luchetti
NOES, 43.				
Mr. Allan	Mr. Cramer	Mr. Fox	Mr. Jack	Mr. Turner
Mr. Anderson	Mr. Davidson	Mr. J. M. Fraser	Mr. Joske	Mr. Wentworth
Mr. Bostock	Mr. Davis	Mr. Freeth	Mr. Lindsay	Mr. Wheeler
Mr. Bowden	Mr. Dean	Mr. Graham	Mr. Mackinnon	Mr. Wight
Mr. Brimblecombe	Mr. Drummond	Mr. Hasluck	Sir P. McBride	Mr. Wilson
Mr. Buchanan	Mr. Drury	Mr. Haworth	Mr. Opperman	<i>Tellers:</i>
Mr. D. A. Cameron	Mr. Erwin	Mr. H. E. Holt	Mr. Robertson	Mr. Pearce
Mr. Casey	Mr. Fairhall	Mr. Howson	Mr. Snedden	Mr. Turnbull
Mr. Cleaver	Mr. Falkinder	Mr. Hulme	Mr. Timson	

And so it was negatived.

Further question—That clause 3 and the remainder of the Bill be agreed to, and that the Bill be reported without amendment—put and passed.

The House resumed; Mr. Adermann reported accordingly.

On the motion of Mr. Holt, the House adopted the Report, and the Bill was read a third time.

9. ADJOURNMENT.—Mr. H. E. Holt (Minister for Labour and National Service) moved, That the House do now adjourn.

Question—put and passed.

And then the House, at ten minutes past eleven o'clock p.m., adjourned until Tuesday next at half-past two o'clock p.m.

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except Mr. Anthony, Mr. Barnard, Mr. Beale, Mr. Beazley, Mr. Brand, Mr. C. R. Cameron, Mr. Chaney, Mr. Downer, Mr. Duthie, Sir Arthur Fadden, Mr. Failes, Mr. Fairbairn*, Sir Eric Harrison, Mr. Haylen, Mr. H. V. Johnson, Mr. Killen, Mr. Lawrence, Mr. Luck, Mr. Makin, Mr. McEwen, Sir Earle Page, Mr. Pollard, Mr. Riordan*, Mr. Russell, Mr. Swartz, Mr. Thompson, Mr. Ward, Mr. Watkins and Mr. Webb.

* On leave.

A. A. TREGEAR,
Clerk of the House of Representatives.