

1993-94-95

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

VOTES AND PROCEEDINGS

No. 148

THURSDAY, 22 JUNE 1995

1 The House met, at 9.30 a.m., pursuant to adjournment. The Speaker (the Honourable Stephen Martin) took the Chair, and read Prayers.

2 RUSSELL OFFICES, ACT—REDEVELOPMENT—APPROVAL OF WORK

Mr Walker (Minister for Administrative Services), pursuant to notice, moved—That, in accordance with the provisions of the *Public Works Committee Act 1969*, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Redevelopment of Russell Offices, ACT.

Question—put and passed.

3 CONSTRUCTION OF A MULTI-LEVEL CAR PARK FOR THE FEDERAL AIRPORTS CORPORATION AT MELBOURNE AIRPORT—APPROVAL OF WORK

Mr Walker (Minister for Administrative Services), pursuant to notice, moved—That, in accordance with the provisions of the *Public Works Committee Act 1969*, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Construction of a multi-level car park for the Federal Airports Corporation at Melbourne Airport.

Question—put and passed.

4 PUBLIC WORKS—PARLIAMENTARY STANDING COMMITTEE—REFERENCE OF WORK—PROVISION OF LIVING-IN ACCOMMODATION AT HMAS HARMAN, ACT

Mr Walker (Minister for Administrative Services), pursuant to notice, moved—That, in accordance with the provisions of the *Public Works Committee Act 1969*, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Provision of living-in accommodation at HMAS *Harman*, ACT.

Question—put and passed.

5 STATES GRANTS (GENERAL PURPOSES) AMENDMENT BILL 1995

Mr Gear (Assistant Treasurer), pursuant to notice, presented a Bill for an Act to amend the *States Grants (General Purposes) Act 1994*, and for related purposes.

Bill read a first time.

Paper: Mr Gear presented an explanatory memorandum to the Bill.

Ordered—That the second reading be made an order of the day for the next sitting.

6 TAXATION LAWS AMENDMENT BILL (NO. 2) 1995

The order of the day having been read for the second reading—Mr Gear (Assistant Treasurer) moved—That the Bill be now read a second time.

Debate ensued.

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

Consideration in detail

Clauses 1 to 3, by leave, taken together, and agreed to.

Schedule 1—

Paper: Mr Gear presented a supplementary explanatory memorandum to the Bill.

On the motion of Mr Gear, by leave, the following amendments were made together:

Page 9, item 1, after proposed section 24AY insert the following section:

Effect of unfunded superannuation liabilities

“ ‘24AYA.(1) This section applies to a deduction under section 82AAC in respect of a contribution made in relation to a person who was an employee of a prescribed excluded STB when it ceased to be an STB.

‘(2) A deduction to which this section applies is not allowable to the body for any year of income unless the requirements of subsections (3) and (4) are complied with.

‘(3) For the deduction to be allowable, the body must obtain a certificate by an authorised actuary stating the actuarial value, as at the time the body ceases to be an STB, of liabilities of the STB to provide superannuation benefits for, or for dependants of, employees of the body, where the liabilities:

- (a) accrued after 30 June 1995 and before the time when the body ceased to be an STB; and
- (b) were, according to actuarial principles, unfunded at that time.

‘(4) The certificate must be in a form approved in writing by the Commissioner. The body must obtain the certificate:

- (a) before the date of lodgment of its return of income of the year of income in which the body ceased to be an STB; or
- (b) within such further time as the Commissioner allows.

‘(5) If the body obtains the certificate, a deduction to which this section applies is nevertheless not allowable for a year of income if the sum of all deductions to which this section applies for the year of income is less than or equal to the unfunded liability limit (see subsection (6)) for the year of income.

‘(6) If the sum is greater than that limit, so much of the deduction as is worked out using the following formula is not allowable:

$$\frac{\text{Amount of deduction}}{\text{Sum of all deductions to which this section applies for the year of income}} \times \text{Unfunded liability limit for the year of income}$$

where:

Unfunded liability limit for a year of income is:

- (a) if the year of income is the one in which the body ceases to be an STB—the actuarial value of the liabilities set out in the actuary's certificate; or
- (b) in any other case—that actuarial value as reduced by the total amount of deductions to which this section applies that, because of subsection (5), have not been allowable to the body for all previous years of income.

'(7) Expressions used in this section that are also used in section 82AAC have the same respective meanings as in that section.'

Page 9, item 1, omit proposed section 24AZ, substitute the following section:

Meaning of relevant period and prescribed excluded STB

"24AZ. In this Subdivision:

prescribed excluded STB means an STB that is an excluded STB as a result of regulations made for the purposes of paragraph (a) of the definition of **excluded STB** in section 24AT;

relevant period has the same meaning as in Subdivision B of Division 2A."

Page 9, item 5, proposed subsection (21), after "STB" insert "(within the meaning of Division 1AB)".

Page 9, item 5, omit proposed subsection (22).

Page 9, after item 6 insert the following item:

"6A. Paragraph 73C(2)(b):

After 'or a Territory' insert ', an STB (within the meaning of Division 1AB)'."

Page 10, after item 9 insert the following item:

"9A. Subsection 159GE(1)(definition of exempt public body):

After paragraph (a) insert:

- 'or (aa) an STB (within the meaning of Division 1AB) the income of which is wholly exempt from tax; or'."

Page 10, item 10, proposed section 159GEA, omit "an STB", substitute "a prescribed excluded STB".

Page 11, omit item 14, substitute the following item:

"14. Application

The amendments made by items 5 and 10 of this Part apply to income derived on or after 1 July 1995. All other amendments made by this Part apply to income derived on or after 1 July 1994."

Page 13, item 17, proposed subsection 3D(6), omit paragraph (e) of the definition of **excluded STB**.

Schedule, as amended, agreed to.

(b) there is a period (the *reduction period*) forming the whole or part of a notional accounting period of a FIF in respect of which the following conditions are satisfied:

- (i) the taxpayer holds the share or right;
- (ii) the share or right is an interest in the FIF;
- (iii) the cessation time for the share or right has not occurred;

the foreign investment fund income of the taxpayer for the notional accounting period is to be reduced by an amount equal to any increase in the market value of the share or right during the reduction period.

'(2) In this section, *cessation time*, *market value*, *qualifying right* and *qualifying share* have the same meanings as in Division 13A of Part III.'

Page 40, subitem 10(3), omit "The amendments", substitute "Subject to item 10A, the amendments".

Page 40, paragraph 10(3)(b), omit all the words after "in the company", substitute "or in a holding company of the company".

Page 40, subitem 10(4), omit "The amendments", substitute "Subject to item 10A, the amendments".

Page 40, paragraph 10(4)(c), before "the scheme" insert "if the approval of shareholders is required for".

Page 40, paragraph 10(4)(c), after "was made" insert "—the scheme".

Page 41, subitem 10(5), omit the second sentence.

Page 41, subitem 10(7), omit the subitem, substitute the following subitem:

"(7) In this item:

public company means:

- (a) a public company within the meaning of the *Corporations Law*; or
- (b) a company established by Commonwealth, State or Territory legislation; or
- (c) a company listed on an approved stock exchange.

Note: *Approved stock exchange* is defined in section 139GCA of the *Income Tax Assessment Act 1936*.

subsidiary has the same meaning as in the *Corporations Law*."

Page 41, after item 10 insert the following items:

Taxpayer may elect that amendments apply

"**10A.** The amendments made by this Schedule apply to the acquisition of a share or right by a taxpayer if:

- (a) apart from subitem 10(3) or 10(4), the amendments would apply to the acquisition; and
- (b) the taxpayer elects that the amendments apply to the acquisition.

Elections

10B. An election under this Part must be in writing in a form approved by the Commissioner and be made before the taxpayer lodges his or her return of income for the 1994-95 year of income, or within such further time as the Commissioner allows."

Question—That the schedule, as amended, be agreed to—put.

The House divided (the Deputy Speaker, Mr Hollis, in the Chair)—

AYES, 69

Mr Adams	Mr Elliott	Mr Jenkins	Mr Punch
Mr Beddall	Mr M. J. Evans	Mr Jones	Mr Quick
Mr Bevis	Ms Fatin	Mr Kerr	Mr Sawford*
Mr Bilney	Mr Ferguson	Mr Knott	Mr Sciacca
Mr Brown	Mr Fitzgibbon	Mr Langmore	Mr Simmons
Mr Campbell	Mr Free	Mr Latham	Mr S. J. Smith
Mr Chynoweth	Mr Gear	Mr Lavarch	Mr S. F. Smith
Mr Cleary	Mr Gibson	Dr Lawrence	Mr Snow
Mr Cleeland	Mr Gorman	Mr Lee	Mr Snowdon
Ms Crawford	Mr Grace*	Mr Lindsay	Mr Staples
Mr Crean	Mr Griffin	Ms McHugh	Mr Tanner
Mrs Crosio	Mr Griffiths	Mr Mack	Dr Theophanous
Mr Cunningham	Mr Haviland	Mr Melham	Mr Tickner
Ms Deahm	Ms Henzell	Mr A. A. Morris	Mr Walker
Mr Dodd	Mr Holding	Mr Newell	Mr Woods
Mr Duffy	Mr Horne	Mr O'Connor	
Mr Duncan	Mr Howe	Mr O'Keefe	
Mrs Easson	Mr Humphreys	Mr Price	

NOES, 61

Mr Abbott	Mr Downer	Mr McLachlan	Mr Slipper
Mr Aldred	Mr R. D. C. Evans	Mr Miles	Mr B. M. Smyth
Mr Anderson	Mr Fischer	Mr Moore	Mr Somlyay
Mr J. N. Andrew	Mr Forrest	Mrs Moylan	Mrs Sullivan
Mr K. J. Andrews	Mrs Gallus	Mr Nehl	Mr Taylor
Mr Atkinson	Mr Georgiou	Mr Neville	Mr Thomson
Mrs Bishop	Mr Hall	Mr Nugent	Mr Truss
Mr Bradford	Mr Halverson	Mr Prosser	Mr Tuckey
Mr Braithwaite	Mr Hawker*	Mr Pyne	Mr Vaile
Mr Cadman	Mr Hicks*	Mr Reid	Mr Wakelin
Mr Cameron	Mr Jull	Mr Reith	Mr Williams
Mr Charles	Mr Katter	Mr Rocher	Dr Wooldridge
Mr Cobb	Dr Kemp	Mr Ronaldson	Ms Worth
Mr Connolly	Mr Lieberman	Mr Ruddock	
Mr Costello	Mr McArthur	Mr B. C. Scott	
Mr Dobie	Mr McGauran	Mr Sinclair	

* Tellers

And so it was resolved in the affirmative.

Schedule 3—

Mr K. J. Andrews, by leave, moved the following amendments together:

Page 49, omit proposed paragraph 160ZZPIA(2)(d), substitute the following paragraph:

“(d) the merger beginning is not before 1 July 1994;”.

Page 50, omit proposed subsection 160ZZPIA(5), substitute the following subsection:

“Meaning of *qualifying superannuation fund*

“(5) The expression *qualifying superannuation fund* means a superannuation fund other than an eligible rollover fund within the meaning of section 242 of the *Superannuation Industry (Supervision) Act 1993*.”.

Debate continued.

Amendments negatived.

Schedule agreed to.

Schedule 4—

Mr K. J. Andrews moved the following amendment: Page 62, item 10, omit “1 July 1993”, substitute “1 July 1992”.

Debate continued.

Amendment negatived.

Schedule agreed to.

Schedules 5 to 7, by leave, taken together, and agreed to.

Schedule 8—

Mr K. J. Andrews, by leave, moved the following amendments together:

Page 76, proposed subsection 163A(1), omit “Subject to subsection (2), if:”, substitute “Subject to subsections (2) and (2A), if:”.

Page 76, after proposed subsection (2) insert the following subsection:

“No penalty payable if no income tax payable

‘(2A) If income tax is not payable by a person in relation to a year of income no penalty is payable under subsection (1) in respect of the person’s failure to furnish a return in relation to that year of income.’”.

Page 80, omit item 4, substitute the following item:

“4. Application

The amendments made by this Part, other than new section 163A, apply in relation to a return if:

- (a) the return is for the 1994-95 year of income or any later year of income; and
- (b) the return is required to be lodged on or after the 60th day after the day on which this Part commences.

Section 163A applies in relation to a return if the return is for the 1995-96 year of income or any later year of income.”.

Debate continued.

Amendments negatived.

Schedule agreed to.

Schedule 9—

On the motion of Mr Gear, by leave, the following amendments were made together:

Page 87, item 11, column [3] of proposed Table 3A in relation to TCR2, add at the end “The claimant is not excluded from this credit ground by regulations made for the purposes of this credit ground.”.

Page 87, item 11, column [4] of proposed Table 3A in relation to TCR2, omit the words after “before”, substitute “1 July 1995”.

Page 87, item 11, column [6] of proposed Table 3A in relation to TCR2, omit the words after “commencement”, substitute “of regulations excluding bodies from this credit ground”.

Page 87, item 11, proposed Table 3A, add at the end the following credit ground:

“

TCR3	Transitional credit for State/Territory bodies	Claimant has borne tax on a tax bearing dealing with goods. The claimant was not entitled to quote for the dealing, but would have been if exemption Item 126A had been in force at the time of the dealing. The claimant is not excluded from this credit ground by regulations made for the purposes of this credit ground.	dealings with goods on or after 1 July 1995 and before the commencement of item 20 of Schedule 1 of the <i>Taxation Laws Amendment Act (No. 2) 1995</i>	the tax borne to the extent that the claimant has not passed it on	at the commencement of regulations excluding bodies from this credit ground
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”

Schedule, as amended, agreed to.

Remainder of Bill, by leave, taken as a whole, and agreed to.

Bill, as amended, agreed to.

Consideration in detail concluded.

On the motion of Mr Gear, by leave, the Bill was read a third time.

7 BANKING (QUEENSLAND INDUSTRY DEVELOPMENT CORPORATION) AMENDMENT BILL 1995

The order of the day having been read for the second reading—Mr Gear (Assistant Treasurer) moved—That the Bill be now read a second time.

Debate ensued.

Mr Braithwaite addressing the House—

It being 3 p.m., the debate was interrupted in accordance with standing order 101A, and the resumption of the debate made an order of the day for a later hour this day.

8 MINISTRY—PAPER

Mr Keating (Prime Minister) presented the following paper:

Second Keating Ministry, 20 June 1995.

9 QUESTIONS

Questions without notice being asked—

Members ordered to withdraw: At 3.49 p.m. the Member for O'Connor (Mr Tuckey) and the Member for Burke (Mr O'Keefe) were ordered, under standing order 304A, to withdraw from the House for 1 hour for interrupting proceedings after a general warning had been given by the Chair, and they accordingly withdrew from the Chamber.

Questions without notice continuing—

Member ordered to withdraw: At 4.14 p.m. the Member for Maranoa (Mr B. C. Scott) was ordered, under standing order 304A, to withdraw from the House for 1 hour for again interjecting after a warning had been given by the Chair, and he accordingly withdrew from the Chamber.

Questions without notice continuing—

Member named and suspended: The Speaker named the Member for Fisher (Mr Slipper) for continuing to interject after having been warned by the Chair.

Mr Beazley (Leader of the House) moved—That the Member for Fisher be suspended from the service of the House.

Question—put.

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

AYES, 75

Mr Adams	Mrs Easson	Mr Humphreys	Mr O'Connor
Mr Baldwin	Mr Elliott	Mr Jenkins	Mr Price
Mr Beazley	Mr M. J. Evans	Mr Johns	Mr Punch
Mr Beddall	Ms Fatin	Mr Jones	Mr Quick
Mr Bevis	Mr Ferguson	Mr Keating	Mr Sawford*
Mr Bilney	Mr Fitzgibbon	Mr Kerr	Mr Sciacca
Mr Brereton	Mr Free	Mr Knott	Mr Simmons
Mr Brown	Mr Gear	Mr Langmore	Mrs S. J. Smith
Mr Campbell	Mr Gibson	Mr Latham	Mr S. F. Smith
Mr Chynoweth	Mr Gorman	Mr Lavarch	Mr Snow
Mr Cleary	Mr Grace*	Dr Lawrence	Mr Snowdon
Mr Cleeland	Mr Griffin	Mr Lee	Mr Staples
Mr Crean	Mr Griffiths	Mr Lindsay	Mr Tanner
Mrs Crosio	Mr Haviland	Ms McHugh	Dr Theophanous
Mr Cunningham	Ms Henzell	Mr Mack	Mr Tickner
Ms Deahm	Mr Holding	Mr McLeay	Mr Walker
Mr Dodd	Mr Hollis	Mr Melham	Mr Willis
Mr Duffy	Mr Horne	Mr A. A. Morris	Mr Woods
Mr Duncan	Mr Howe	Mr Newell	

NOES, 58

Mr Abbott	Mr Dobie	Mr Lieberman	Mr Ruddock
Mr Aldred	Mr Downer	Mr Lloyd	Mr Sinclair
Mr Anderson	Mr R. D. C. Evans	Mr McArthur	Mr Slipper
Mr J. N. Andrew	Mr Filing	Mr McGauran	Mr B. M. Smyth
Mr K. J. Andrews	Mr Fischer	Mr McLachlan	Mr Somlyay
Mr Atkinson	Mr Forrest	Mr Miles	Mrs Sullivan
Mrs Bishop	Mrs Gallus	Mrs Moylan	Mr Taylor
Mr Bradford	Mr Georgiou	Mr Neville	Mr Thomson
Mr Braithwaite	Mr Hall	Mr Nugent	Mr Truss
Mr Cadman	Mr Halverson	Mr Prosser	Mr Vaile
Mr Cameron	Mr Hawker*	Mr Pyne	Mr Wakelin
Mr Charles	Mr Hicks*	Mr Reid	Mr Williams
Mr Cobb	Mr Howard	Mr Reith	Ms Worth
Mr Connolly	Mr Katter	Mr Rocher	
Mr Costello	Dr Kemp	Mr Ronaldson	

* Tellers

And so it was resolved in the affirmative.

The Member was, therefore, suspended at 4.34 p.m. for the remainder of the day and for the next 3 consecutive sittings, this being his second occasion of suspension during the year, and he accordingly withdrew from the Chamber.

Questions without notice continued.

10 PAPER

Mr Beazley (Minister for Finance) presented the following paper:

Current account deficit as percentage of gross domestic product—Quarterly statistics—3rd quarter 1980 to 1st quarter 1995.

11 PAPERS

The following papers were presented:

Commonwealth Electoral Act—Australian Electoral Commission—Elections 1993—Election funding and financial disclosure—Report for elections held on 13 March 1993.

Employment, Education and Training Act—National Board of Employment, Education and Training—Australian Research Council—Report, including the Board's comments—Research for ecologically sustainable development, May 1995.

Wet Tropics of Queensland World Heritage Area Conservation Act—Wet Tropics Management Authority—Report for 1993-94.

12 AUSTRALIAN ELECTORAL COMMISSION—REPORT—MOTION TO TAKE NOTE OF PAPER

Mr Beazley (Leader of the House) moved—That the House take note of the following paper:

Commonwealth Electoral Act—Australian Electoral Commission—Elections 1993—Election funding and financial disclosure—Report for elections held on 13 March 1993.

Debate adjourned (Mr Reith), and the resumption of the debate made an order of the day for the next sitting.

13 DISCUSSION OF MATTER OF PUBLIC IMPORTANCE—LABOUR MARKET REFORM

The House was informed that Mr Reith had proposed that a definite matter of public importance be submitted to the House for discussion, namely, "The continuing failure of the Government to deliver higher living standards as a result of its inability and unwillingness to provide the necessary leadership to introduce genuine labour market reform".

The proposed discussion having received the necessary support—

Mr Reith addressed the House.

Discussion ensued.

Discussion concluded.

14 MESSAGE FROM THE SENATE—CIVIL AVIATION LEGISLATION AMENDMENT BILL 1995

The following message from the Senate was reported:

Message No. 472

Mr Speaker,

The Senate returns to the House of Representatives the bill for “*An Act to amend the law relating to aviation*”, and acquaints the House that the Senate has agreed to the bill with the amendments indicated by the annexed schedule, in which amendments the Senate requests the concurrence of the House of Representatives.

MICHAEL BEAHAN
President

The Senate

Canberra, 22 June 1995

Ordered—That the amendments be considered at the next sitting.

15 MESSAGE FROM THE SENATE—AIR SERVICES BILL 1995

The following message from the Senate was reported:

Message No. 473

Mr Speaker,

The Senate returns to the House of Representatives the bill for “*An Act to establish a body called Airservices Australia, with functions relating to aviation, and for related purposes*”, and acquaints the House that the Senate has agreed to the bill with the amendments indicated by the annexed schedule, in which amendments the Senate requests the concurrence of the House of Representatives.

MICHAEL BEAHAN
President

The Senate

Canberra, 22 June 1995

Ordered—That the amendments be considered at the next sitting.

16 ADJOURNMENT

Mr Bevis (Parliamentary Secretary to the Minister for Defence) moved—That the House do now adjourn.

Debate ensued.

Question—put and passed.

And then the House, at 5.59 p.m., adjourned until Monday next at 12.30 p.m.

PAPERS

The following papers were deemed to have been presented on 22 June 1995:

Aboriginal and Torres Strait Islander Commission Act—Report of review panel conducting a review of ATSIC’s zone, region and ward boundaries—Final recommendations.

Australian Bureau of Statistics Act—Australian Bureau of Statistics—Proposal 1995 No. 15.

Australian Meat and Live-stock Corporation Act—Order No. M72/95.

Broadcasting Services Act—Notice No. BSE1/94—Amendment 1995 No. 1.
Health Insurance Act—Statement under section 106AA (Dr Thomas Tee Tick Tan), 21 June 1995.
Telstra Corporation Act—AOTC Carrier Charges Price Control Determination 1992—Amendment 1995 No. 1.

ATTENDANCE

All Members attended (at some time during the sitting) except Mr Beale, Mr P. F. Morris, Mr L. J. Scott and Mr Swan.

L. M. BARLIN

Clerk of the House of Representatives

1993-94-95

HOUSE OF REPRESENTATIVES

SUPPLEMENT TO VOTES AND PROCEEDINGS

No. 148

MAIN COMMITTEE

MINUTES OF PROCEEDINGS

THURSDAY, 22 JUNE 1995

1 The Main Committee met at 10 a.m.

2 PROCEDURE—STANDING COMMITTEE—REPORT—MOTION TO TAKE NOTE OF PAPER

The order of the day having been read for the resumption of the debate on the motion of Mr Brown—That the House take note of the paper (*presented on 19 June 1995*), viz.:

Procedure—Standing Committee—Time for review—Bills, questions and working hours: Report of the review of procedural changes operating since 21 February 1994, 1 June 1995—

Debate resumed.

Suspension of sitting: At 12.16 p.m., a division having been called in the House, the proceedings were suspended.

Resumption of sitting: At 12.28 p.m., the proceedings were resumed.

Debate continued.

Debate adjourned (Mr Snowdon—Parliamentary Secretary to the Minister for Employment, Education and Training), and the resumption of the debate made an order of the day for the next sitting.

3 ADJOURNMENT

On the motion of Mr Snowdon (Parliamentary Secretary to the Minister for Employment, Education and Training), the Main Committee adjourned at 1.01 p.m.

The Deputy Speaker fixed Wednesday, 28 June 1995, at 10 a.m., for the next meeting of the Main Committee.

I. C. HARRIS
Clerk of the Main Committee