

1917.  
(SECOND SESSION.)

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

No. 23.

VOTES AND PROCEEDINGS

OF THE

HOUSE OF REPRESENTATIVES.

WEDNESDAY, 5TH SEPTEMBER, 1917.

1. The House met, at three o'clock p.m., pursuant to adjournment.—Mr. Speaker took the Chair, and read Prayers.
2. PAPERS.—The following Papers were presented, pursuant to Statute—  
 Inscribed Stock Act—Dealings and Transactions during year ended 30th June, 1916.  
 Ordered to be printed.  
 Defence Act—Regulations Amended—Statutory Rules 1917, Nos. 203, 208, 209, 216.  
 Public Service Act—Promotions of—  
 H. C. Brown, Prime Minister's Department.  
 D. Shugg and P. E. Coleman, Department of Defence.  
 War Precautions Act—Regulations Amended—Statutory Rules 1917, Nos. 197, 217.
3. WAR-TIME PROFITS TAX ASSESSMENT BILL.—The Order of the Day having been read for the consideration of the Reports from the Committee of the whole House on this Bill—Mr. Groom moved, That the Bill be now recommitted to a Committee of the whole House for the re-consideration of clauses 3, 4, 7, 8, 11, 14, 15, 16, and the consideration of a new clause.  
 Debate ensued.  
 Mr. Higgs moved, That clause 26 be added to the clauses to be recommitted.  
 Debate ensued.  
 Question—put.  
 The House divided—

Ayes, 15.

Mr. Anstey	Mr. Mathews
Sir Robert Best	Mr. Poynton
Mr. Boyd	Mr. Tudor
Mr. Brennan	Mr. West
Mr. J. H. Catts	
Mr. Fenton	
Mr. Finlayson	<i>Tellers:</i>
Mr. Higgs	Mr. Considine
Mr. W. Maloney	Mr. Page

Noes, 35.

Mr. Archibald	Mr. Manifold
Mr. Bayley	Mr. Maxwell
Mr. Chanter	Mr. Palmer
Mr. Joseph Cook	Mr. Pigott
Mr. Corser	Mr. Rodgers
Mr. Falkiner	Mr. Sampson
Sir John Forrest	Mr. Sinclair
Mr. Fowler	Mr. Laird Smith
Mr. Glynn	Mr. Spence
Mr. Gregory	Mr. Story
Mr. Groom	Mr. John Thomson
Mr. Hughes	Mr. Watt
Sir William Irvine	Mr. Webster
Mr. Jensen	Mr. Wise
Mr. Kelly	
Mr. Leckie	
Mr. Lister	<i>Tellers:</i>
Mr. Lynch	Mr. Greene
Mr. Mackay	Mr. Livingston

And so it was negatived.

5th September, 1917.

Mr. Boyd moved, That clause 31 be added to the clauses to be recommitted.

Question—put and passed.

Sir Robert Best moved, That clause 10 be added to the clauses to be recommitted.

Debate ensued.

Question—put.

The House divided—

Ayes, 16.		Noes, 28.	
Mr. Archibald	Mr. Sampson	Mr. Bayley	Mr. Mackay
Sir Robert Best	Mr. Sinclair	Mr. Chanter	Mr. Manifold
Mr. Brennan	Mr. Story	Mr. Joseph Cook	Mr. Mathews
Mr. Considine	Mr. Tudor	Mr. Corser	Mr. Maxwell
Mr. Fenton	Mr. West	Sir John Forrest	Mr. Palmer
Mr. Finlayson		Mr. Glynn	Mr. Pigott
Mr. Higgs	<i>Tellers:</i>	Mr. Gregory	Mr. Rodgers
Mr. W. Maloney	Mr. J. H. Catts	Mr. Groom	Mr. Laird Smith
Mr. Poynton	Mr. Page	Mr. Hughes	Mr. Spence
		Sir William Irvine	Mr. Webster
		Mr. Jensen	Mr. Wise
		Mr. Leckie	
		Mr. Lister	<i>Tellers:</i>
		Mr. Livingston	Mr. Greene
		Mr. Lynch	Mr. John Thomson

And so it was negatived.

Ordered—That the Bill be now recommitted to a Committee of the whole House for the reconsideration of clauses 3, 4, 7, 8, 11, 14, 15, 16, 31, and the consideration of a new clause.

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

(In the Committee.)

Recommitted clauses—

Clause 3 debated—

*Disorder in Committee—Dissent from Chairman's Ruling—Member Named.*—Mr. Anstey having been repeatedly called to order by the Chairman, and continuing to disregard the authority of the Chair, the Chairman called upon the Serjeant-at-Arms to remove the honorable Member, who thereupon retired.

Mr. Higgs, having handed in, in writing, an objection to the Ruling, moved, That the ruling of the Chairman of Committees that he has the power to order the removal by the Serjeant-at-Arms of any Member of the House, for the purpose of preserving order, be disagreed to.

The Chairman asked whether it was the pleasure of the Committee that the Question should be put forthwith, and there being no dissentient voice, the Chairman proceeded to put the Question, but objection having been raised—

Question—That the Question be decided forthwith, without debate—put.

The Committee divided—

Ayes, 27.		Noes, 17.	
Mr. Archibald	Mr. Lynch	Mr. Brennan	Mr. Rodgers
Mr. Atkinson	Mr. Mackay	Mr. Considine	Mr. Tudor
Mr. Bamford	Mr. Palmer	Mr. Fenton	Mr. West
Mr. Bayley	Mr. Pigott	Mr. Finlayson	Mr. Wise
Mr. Joseph Cook	Mr. Sampson	Mr. Higgs	Mr. Yates
Mr. Corser	Mr. Sinclair	Mr. Leckie	
Mr. Falkiner	Mr. Laird Smith	Mr. W. Maloney	
Sir John Forrest	Mr. Story	Mr. Manifold	<i>Tellers:</i>
Mr. Glynn	Mr. John Thomson	Mr. Maxwell	Mr. J. H. Catts
Mr. Gregory	Mr. Webster	Mr. Page	Mr. Mathews
Mr. Groom			
Mr. Hughes			
Mr. Jensen	<i>Tellers:</i>		
Mr. Lister	Mr. Boyd		
Mr. Livingston	Mr. Greene		

And so it was resolved in the affirmative.

5th September, 1917.

Question—That the ruling of the Chairman of Committees that he has the power to order the removal by the Serjeant-at-Arms of any Member of the House, for the purpose of preserving order, be disagreed to—put.

The Committee divided—

Ayes, 13.		Noes, 30.	
Mr. Anstey	Mr. Tudor	Mr. Archibald	Mr. Lynch
Mr. J. H. Catts	Mr. West	Mr. Atkinson	Mr. Mackay
Mr. Considine	Mr. Yates	Mr. Bayley	Mr. Manifold
Mr. Fenton		Mr. Boyd	Mr. Maxwell
Mr. Finlayson		Mr. Joseph Cook	Mr. Palmer
Mr. Higgs		Mr. Corser	Mr. Pigott
Mr. W. Maloney	Mr. Brennan	Mr. Falkiner	Mr. Sampson
Mr. Page	Mr. Mathews	Sir John Forrest	Mr. Sinclair
		Mr. Glynn	Mr. Story
		Mr. Gregory	Mr. John Thomson
		Mr. Groom	Mr. Webster
		Mr. Hughes	Mr. Wise
		Mr. Jensen	
		Mr. Leckie	<i>Tellers:</i>
		Mr. Lister	Mr. Greene
		Mr. Livingston	Mr. Rodgers

And so it was negatived.

Mr. J. H. Catts, in addressing the Committee, used certain expressions which the Chairman ruled were out of order and must be withdrawn. Mr. J. H. Catts, refusing to withdraw the disorderly expressions, was named by the Chairman for disregarding the authority of the Chair.

Mr. Joseph Cook moved, That the honorable Member for Cook (Mr. J. H. Catts) be suspended from the service of the Committee.

Question—put.

The Committee divided—

Ayes, 34.		Noes, 12.	
Mr. Archibald	Mr. Mackay	Mr. Brennan	Mr. Tudor
Mr. Bamford	Mr. Manifold	Mr. J. H. Catts	Mr. West
Mr. Bayley	Mr. Maxwell	Mr. Considine	Mr. Yates
Mr. Boyd	Mr. Palmer	Mr. Finlayson	
Mr. Joseph Cook	Mr. Pigott	Mr. Higgs	<i>Tellers.</i>
Mr. Corser	Mr. Poynton	Mr. W. Maloney	Mr. Fenton
Mr. Falkiner	Mr. Rodgers	Mr. Page	Mr. Mathews
Sir John Forrest	Mr. Sampson		
Mr. Glynn	Mr. Sinclair		
Mr. Gregory	Mr. Laird Smith		
Mr. Groom	Mr. Story		
Sir William Irvine	Mr. John Thomson		
Mr. Jensen	Mr. Webster		
Mr. Lamond	Mr. Wise		
Mr. Leckie			
Mr. Lister	<i>Tellers:</i>		
Mr. Livingston	Mr. Atkinson		
Mr. Lynch	Mr. Greene		

And so it was resolved in the affirmative.

The Chairman forthwith suspended the proceedings of the Committee.

The House resumed.

The Chairman of Committees reported the circumstance to the House, and the Speaker thereupon put the Question—That the honorable Member for Cook (Mr. J. H. Catts) be suspended from the service of the House.

5th September, 1917.

The House divided—

Ayes, 35.		Noes, 12.	
Mr. Archibald	Mr. Mackay	Mr. Brennan	Mr. Tudor
Mr. Bamford	Mr. Manifold	Mr. J. H. Catts	Mr. West
Mr. Bayley	Mr. Maxwell	Mr. Considine	Mr. Yates
Mr. Boyd	Mr. Palmer	Mr. Fenton	
Mr. Chanter	Mr. Pigott	Mr. Finlayson	<i>Tellers:</i>
Mr. Joseph Cook	Mr. Poynton	Mr. Higgs	Mr. W. Maloney
Mr. Corser	Mr. Rodgers	Mr. Mathews	Mr. Page
Mr. Falkiner	Mr. Sampson		
Sir John Forrest	Mr. Sinclair		
Mr. Glynn	Mr. Laird Smith		
Mr. Gregory	Mr. Story		
Mr. Groom	Mr. John Thomson		
Sir William Irvine	Mr. Webster		
Mr. Jensen	Mr. Wise		
Mr. Lamond			
Mr. Leckie			
Mr. Lister	<i>Tellers:</i>		
Mr. Livingston	Mr. Atkinson		
Mr. Lynch	Mr. Greene		

And so it was resolved in the affirmative.

And the honorable Member was, therefore, under Standing Order No. 59 suspended for the remainder of the day's sitting, and he accordingly withdrew from the Chamber.

Mr. Speaker left the Chair, and the House again resolved itself into the Committee of the whole.

(In the Committee).

Clause 3 further debated and agreed to.

Clause 4—

Mr. Story moved, That the following definition be inserted after the definition of "Business":—

"'A New Business' shall mean an industry to establish the manufacture in Australia of goods now generally imported."

Debate ensued.

Amendment negatived.

Mr. Groom moved, That the following definition be inserted after the definition of "Company":—

"'Co-operative Company' means a company in which not less than two-thirds of the shares are held by members who are *bonâ fide* primary producers or suppliers to the company of foodstuffs the produce of Australia for the purposes of manufacture or sale".

Amendment agreed to.

Mr. Pigott moved, That the words "Crown Leases used for pastoral purposes not carrying tenant rights in improvements" be inserted after the word "rights" in line 27.

Amendment negatived.

Clause, as amended, agreed to.

Clause 7—

On the motion of Mr. Groom, after debate, the clause was amended by the insertion of the words "or a business has changed ownership in a financial year" after the word "year" (line 24 of page 4).

Clause, as amended, agreed to.

Clause 8—

On the motion of Mr. Groom, the clause was amended by the insertion of the following words after the word "products" (line 42 of page 4):—

"Pig and poultry raising, and the business of co-operative companies engaged for the main part in the manufacture, preparation, or wholesale distribution of foodstuffs, the produce of Australia".

Clause, as amended, agreed to.

Clause 11—

On the motion of Mr. Groom, the clause was amended by the omission of the word "of" (line 23 of page 7) and the insertion of the words "and borrowed money (if any) used in" in place thereof; and by the omission of the word "of" (line 37 of page 7) and the insertion of the words "and borrowed money (if any) used in" in place thereof.

Clause, as amended, agreed to.

5th September, 1917.

## Clause 14—

On the motion of Mr. Groom, after debate, the following amendments were made :—

Page 10, sub-clause (3.), omit proviso, insert the following proviso :—

“ Provided that a deduction shall be allowed from the profits of an accounting period of—

- (a) Commonwealth and State land taxes paid in that accounting period, less any refunds of those taxes received in that accounting period ; and
- (b) Commonwealth and State income taxes paid in respect of the profits, less any refunds of Commonwealth and State income taxes received in the accounting period ; and
- (c) all rates and other taxes paid in Australia in the accounting period ”.

Page 11, sub-clause (5.), omit proviso to paragraph (b), insert the following proviso :—

“ Provided that so much of the profits so appropriated as would, if they had not been appropriated, have been war-time profits and which have not been expended for the purpose for which they were appropriated by the end of the accounting period next succeeding that in which the profits were derived, shall be liable to tax in the financial year in which the end of the latter accounting period falls at the rate which was applicable at the time of appropriation.”

Page 11, line 21, after “ his ” insert “ entry into ”.

Page 11, lines 40 and 41, omit “ in which the pre-war standard of profits does not exceed Five hundred pounds ”.

Page 11, line 44, after “ directs ” insert “ in the case of a business in which the pre-war standard of profits does not exceed Five hundred pounds ”.

Pages 11 and 12, sub-clause (7.), second and third provisos, omit “ per annum ” (wherever occurring).

Page 12, lines 1 to 7, omit paragraph (b), insert new paragraph :—

“ (b) If the business is owned by a partnership—in the case of a business in which the pre-war standard of profits does not exceed One thousand pounds, a deduction of Three hundred pounds, or such greater sum as the Commissioner directs, shall be allowed in respect of each partner who devotes the whole of his time to the business, or a part of that amount proportionate to the time devoted to the business where part only of his time is so devoted, but the total sum to be deducted shall in no case be less than the sum which represents the difference between One thousand pounds and the pre-war standard of profits ”.

Page 12, line 14, after “ business ” insert “ together with, in the case of a business in which the pre-war standard of profits exceeds Five hundred pounds but is less than Seven hundred pounds, an additional deduction equal to the difference between Seven hundred pounds and the pre-war standard of profits ”.

Page 13, line 4, omit “ so applied ”, insert “ applied in extinction of that loss and any other loss which the Commissioner is of opinion has been recouped out of the profits of the current accounting period ”.

Page 13, line 23, after “ paid ” insert “ in the accounting period ”.

Clause, as amended, agreed to.

## Clause 15—

On the motion of Mr. Groom, after debate, the following amendments were made :—

Page 14, lines 5 and 6, omit “ accounting period for which the war-time profits tax is to be assessed is ”, insert “ profits on which the war-time profits tax is to be assessed are for a period ”.

Page 14, line 7, after “ reduced ” insert “ but shall not be reduced below the sum of Five hundred pounds ”.

Page 14, line 16, omit “ average ”, insert “ greater of the ”.

Clause, as amended, agreed to.

## Clause 16 debated—

Mr. Pigott moved, That the following words be inserted after the word “ kind ” (line 3) :—

“ or both or at the option of the taxpayer the amount by which the value of the assets of the business exceeds the amount of the liabilities thereof ”.

Amendment, by leave, withdrawn.

Debate on clause continued.

Mr. Groom moved, That the word “ trading ” be inserted after the word “ accumulated ” (line 4).

Amendment agreed to.

Clause, as amended, agreed to.

## Clause 31—

Mr. Boyd moved, That the following words be added to the clause :—

“ A taxpayer may pay his tax for the year 1915-16 in Government war bonds if he so desires.”

Amendment negatived.

Clause agreed to.

5th and 6th September, 1917.

New Clause (*on recommital*):—

On the motion of Mr. Groom, the following new clause was added to the Bill to follow clause 8:—

" 8A. In any case where war-time profits are chargeable with war-time profits tax under this Act, and are also chargeable in Great Britain with excess-profits duty under any Act of the Imperial Parliament imposing an excess-profits duty, the Treasurer may agree for apportionment between Imperial and Commonwealth Governments of tax. Treasurer may agree for apportionment between Imperial and Commonwealth Governments of tax.

person, for the apportionment between the Imperial and the Commonwealth Governments towards the supplies necessary for the services of His Majesty of the war-time profits tax derived pursuant to this Act, or the excess-profits duty derived pursuant to the Imperial Act (whichever provides the greater amount), and may further agree that in any such case the tax or duty (as the case may be) chargeable pursuant to the other of these Acts shall not be collected."

Bill to be further reported with further amendments.

The House resumed; Mr. Atkinson reported accordingly.

Mr. Groom moved, pursuant to contingent notice, That the Standing Orders be suspended to enable the remaining stages to be passed without delay.

Question—put and passed.

And the House continuing to sit till after midnight—

## THURSDAY, 6TH SEPTEMBER.

On the motion of Mr. Groom, the House, after debate, adopted the Reports, and the Bill was read a third time.

## 4. PAPER.—The following Paper was presented, pursuant to Statute—

Inter-State Commission Act—Inter-State Commission—Tariff Investigation—Index to Reports.

## 5. MESSAGE FROM THE SENATE.—INVALID AND OLD-AGE PENSIONS APPROPRIATION BILL (1917).—Mr. Speaker announced the receipt of the following Message from the Senate:—

MR. SPEAKER,

Message No. 17.

The Senate returns to the House of Representatives the Bill for "*An Act to grant and apply out of the Consolidated Revenue Fund a sum for Invalid and Old-age Pensions*," to which it has agreed without amendment.

The Senate,  
Melbourne, 5th September, 1917.

THOS. GIVENS,  
President.

## 6. MESSAGE FROM THE SENATE.—FREIGHT ARRANGEMENTS BILL (1917).—Mr. Speaker announced the receipt of the following Message from the Senate:—

MR. SPEAKER,

Message No. 18.

The Senate returns to the House of Representatives the Bill for "*An Act to amend the 'Freight Arrangements Act 1915'*," to which it has agreed without amendment.

The Senate,  
Melbourne, 5th September, 1917.

THOS. GIVENS,  
President.

## 7. MESSAGE FROM THE SENATE.—SUGAR PURCHASE BILL (1917).—Mr. Speaker announced the receipt of the following Message from the Senate:—

MR. SPEAKER,

Message No. 19.

The Senate returns to the House of Representatives the Bill for "*An Act to amend the 'Sugar Purchase Act 1915'*," to which it has agreed without amendment.

The Senate,  
Melbourne, 5th September, 1917.

THOS. GIVENS,  
President.

## 8. MESSAGE FROM THE SENATE.—INVALID AND OLD-AGE PENSIONS BILL (1917).—Mr. Speaker announced the receipt of the following Message from the Senate:—

MR. SPEAKER,

Message No. 20.

The Senate returns to the House of Representatives the Bill for "*An Act to amend Sections Four and Twenty-two of the 'Invalid and Old-age Pensions Act 1908-1916'*," to which it has agreed without amendment.

The Senate,  
Melbourne, 5th September, 1917.

THOS. GIVENS,  
President.

*5th and 6th September, 1917.*

---

9. ADJOURNMENT.—Mr. Groom moved, That the House do now adjourn.

Debate ensued.

Question—put and passed.

And then the House, at six minutes past twelve o'clock midnight, adjourned until this day at half-past two o'clock p.m.

---

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except—Lieut.-Colonel Abbott<sup>a</sup>, Mr. Blakeley, Mr. Burchell<sup>a</sup>, Mr. Chapman, Mr. Charlton, Mr. Fleming<sup>a</sup>, Mr. R. W. Foster, Mr. Mahony, Mr. McDonald<sup>\*</sup>, Mr. McGrath<sup>a</sup>, Mr. McWilliams, Mr. Nicholls, Mr. Orchard, Mr. Riley, Brigadier-General Ryrie<sup>a</sup>, Mr. Salmon<sup>\*</sup>, Mr. Bruce Smith, Mr. Wallace, and Mr. Watkins.

<sup>\*</sup> On leave.

(<sup>a</sup>) Joined Australian Imperial Expeditionary Forces.

---

WALTER A. GALE,  
*Clerk of the House of Representatives.*