

1929-30-31.

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA,
CANBERRA.

VOTES AND PROCEEDINGS
OF THE
HOUSE OF REPRESENTATIVES.

No. 175.

TUESDAY, 21ST JULY, 1931.

1. The House met, at three o'clock p.m., pursuant to adjournment.—Mr. Speaker (the Honorable Norman J. O. Makin) took the Chair, and offered Prayers.
2. MINISTERIAL STATEMENT—REQUEST BY STATE OF NEW SOUTH WALES FOR FINANCIAL ASSISTANCE.—Mr. Scullin (Prime Minister), by leave, made a Ministerial Statement with reference to an application by the Premier of New South Wales for financial assistance, and the submission of such application to the Loan Council.
3. MESSAGE FROM THE GOVERNOR-GENERAL.—ASSENT TO BILL.—The following Message from His Excellency the Governor-General was received, and the same was read by Mr. Speaker :—

ISAAC A. ISAACS,
Governor-General.

Message No. 81.

A Proposed Law intituled "*Financial Emergency Act 1931*," as finally passed by the Senate and the House of Representatives of the Commonwealth, having been presented to the Governor-General for the Royal Assent, His Excellency has, in the name and on behalf of His Majesty, assented to the said Law.

Government House,
Canberra, 17th July, 1931.

4. POSTPONEMENT OF ORDERS OF THE DAY.—Ordered—That Orders of the Day Nos. 1 and 2 be postponed until after Order of the Day No. 3, Government Business.
5. GOLD BOUNTY BILL (1931).—The Order of the Day having been read for the second reading—Mr. Forde (Minister for Trade and Customs) moved, That the Bill be now read a second time.
Mr. Parkhill 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.
6. POSTPONEMENT OF ORDER OF THE DAY.—Ordered—That Order of the Day No. 1 be postponed until after Order of the Day No. 2, Government Business.
7. WAYS AND MEANS—INCOME TAX BILL (1931).—The House, according to Order, resolved itself into the Committee of Ways and Means.

(*In the Committee.*)

Mr. Scullin (Prime Minister) moved—

1. That a tax be imposed on income at the following rates :—

Division A.—Rate of Tax upon Income derived from Personal Exertion.

For the purposes of this Division— T = taxable income in pounds.

If the taxable income does not exceed £6,900, the rate of tax for every pound of taxable income shall be $\left\{ 3 + \frac{T}{160} \right\}$ pence.

If the taxable income exceeds £6,900, the rate of tax for every pound of taxable income up to and including £6,900 shall be $\left\{ 3 + \frac{T}{160} \right\}$ pence.
and
the rate of tax for every pound of taxable income in excess of £6,900 shall be 90 pence.

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Division B.—Rate of Tax upon Income derived from Property.

For the purposes of this Division— T = taxable income in pounds.

If the taxable income does not exceed £500, the rate of tax for every pound of taxable income shall be .. $\left\{ 3 + \frac{T}{100} \right\}$ pence.

If the taxable income exceeds £500 but does not exceed £1,500, the rate of tax for every pound of taxable income shall be .. $\left\{ 1 + \frac{T \times 14}{1,000} \right\}$ pence.

If the taxable income exceeds £1,500 but does not exceed £3,700, the rate of tax for every pound of taxable income shall be .. $\left\{ 4\frac{3}{4} + \frac{T \times 23}{2,000} \right\}$ pence.

If the taxable income exceeds £3,700, the rate of tax for every pound of taxable income up to and including £3,700 shall be .. $\left\{ 4\frac{3}{4} + \frac{T \times 23}{2,000} \right\}$ pence.
and
the rate of tax for every pound of taxable income in excess of £3,700 shall be .. 90 pence.

Division C.—Rates of Tax in respect of Taxable Income derived partly from Personal Exertion and partly from Property.

(a) For every pound of taxable income derived from personal exertion, the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under Division A if the total taxable income of the taxpayer were derived exclusively from personal exertion by the amount of the total taxable income.

(b) For every pound of taxable income derived from property, the rate of tax shall be ascertained by dividing the total amount of the tax that would be payable under Division B if the total taxable income of the taxpayer were derived exclusively from property by the amount of the total taxable income.

Division D.—Tax payable where amount would otherwise be less than Ten shillings.

Notwithstanding anything contained in the preceding Divisions, where a person would, apart from this Division, be liable to pay income tax of an amount less than Ten shillings, the tax payable by that person shall be Ten shillings.

Division E.—Rate of tax payable by a Trustee.

For every pound of the taxable income in respect of which a trustee is liable to be separately assessed and to pay tax, the rate of tax shall be the rate which would be payable under Division A, B, or C, as the case requires, if one individual were liable to be separately assessed and to pay tax on that taxable income.

Division F.—Rate of Tax payable by a Company.

(a) Subject to the last preceding Division and to Divisions G and H for every pound of the taxable income of a company, the rate of tax shall be 16·8 pence.

(b) For every pound of interest paid or credited by the company to any person who is an absentee, in respect of debentures of the company, or on money lodged at interest with the company by such person, the rate of tax shall be 16·8 pence.

Division G.—Rate of tax payable by an individually owned Private Company.

For every pound of the taxable income of an individually owned private company, the rate of tax shall be determined as follows :—

(a) from the total amount of tax which would be payable by the person specified under sub-section (1.) of section twenty-one A of the *Income Tax Assessment Act 1922-1930* if the taxable income of the company were added to his own taxable income, subtract the amount of tax actually payable by him in respect of his own taxable income ; and

(b) divide the amount obtained by the application of the last preceding paragraph by the number of pounds in the taxable income of the company.

Division H.—Rate of tax payable by a severally owned Private Company.

For every pound of the taxable income of a severally owned private company, the rate of tax shall be determined as follows :—

(a) compute the total of the amounts of tax that would be payable by the persons specified under sub-section (1.) of section twenty-one A of the *Income Tax Assessment Act 1922-1930* if the company were a partnership (other than a severally owned partnership) between those persons with equal interests ;

(b) from the total tax obtained by the application of the last preceding paragraph subtract the total of the amounts of tax actually payable by those persons on their own taxable incomes ; and

(c) divide the difference obtained by the application of the last preceding paragraph by the number of pounds in the taxable income of the company.

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*Division I.—Rate of tax payable by an individually owned Partnership.**Individually owned partnerships other than Trusts which are partnerships.*

For every pound of the taxable income of an individually owned partnership, the rate of tax shall be determined as follows :—

- (a) from the total amount of tax which would be payable by the member specified under sub-section (2.) of section twenty-nine of the *Income Tax Assessment Act 1922–1930* if the taxable income of the partnership were added to his own taxable income, subtract the amount of tax actually payable by him in respect of his own taxable income ; and
- (b) divide the amount obtained by the application of the last preceding paragraph by the number of pounds in the taxable income of the partnership.

Trusts which are individually owned partnerships.

For every pound of the taxable income of a trust which is an individually owned partnership, the rate of tax shall be determined as follows :—

- (a) from the amount of tax which would be payable by the person by whom the trust was created if the taxable income of the partnership were added to his own taxable income, subtract the amount of tax actually payable by him in respect of his own taxable income ; and
- (b) divide the amount obtained by the application of the last preceding paragraph by the number of pounds in the taxable income of the partnership.

Division J.—Rate of tax payable by a severally owned Partnership.

For every pound of the taxable income of a severally owned partnership, the rate of tax shall be determined as follows :—

- (a) compute the total of the amounts of tax that would be payable by the several members specified under sub-section (2.) of section twenty-nine of the *Income Tax Assessment Act 1922–1930*, if the severally owned partnership were a partnership (other than a severally owned partnership) between those members with equal interests ;
- (b) from the total tax obtained by the application of the last preceding paragraph subtract the total of the amounts of tax actually payable by those several members on their own taxable incomes ; and
- (c) divide the difference obtained by the application of the last preceding paragraph by the number of pounds in the taxable income of the partnership.

2. That in addition to any tax provided for in clause 1 of this resolution, there shall be payable upon the taxable income derived by any person—

- (a) from property ;
- (b) by way of interest, dividends, rents or royalties, whether derived from personal exertion or from property ; and
- (c) in the course of carrying on a business, where the income is of such a class that, if derived otherwise than in the course of carrying on a business, it would be income from property,

a further tax of ten per centum of the amount of that taxable income.

3. That the tax provided for in the last preceding clause of this resolution shall not—

- (a) apply to any taxable income derived by any person in consequence of the distribution by a company to its members or shareholders of income upon which tax is payable under that clause or in consequence of a succession of such distributions through another company or through other companies of that income or any part thereof ;
- (b) if payable by a company—be included in the calculation, for the purposes of the provisoes following sub-paragraph (iii) of paragraph (b) of section sixteen of the *Income Tax Assessment Act 1922–1930*, of the tax paid or payable by that company.

4. That sub-sections (2.) to (13.) inclusive of section thirteen of the *Income Tax Assessment Act 1922–1930* shall not apply to tax provided for in clause 2 of this resolution.

5. That tax in accordance with the foregoing provisions of this resolution shall be levied and paid for the financial year beginning on the first day of July One thousand nine hundred and thirty-one.

6. That the foregoing provisions of this resolution shall also apply to all assessments of income tax for financial years subsequent to that beginning on the first day of July One thousand nine hundred and thirty-one made prior to the passing of the Act for the levying and payment of income tax for the financial year beginning on the first day of July One thousand nine hundred and thirty-two.

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Question—put and passed.

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

The House resumed ; Mr. Crouch reported accordingly.

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

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

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

Mr. Scullin then brought up a Bill intituled “ *A Bill for an Act to impose Taxes upon Incomes* ”, and moved, That it be now read a first time.

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

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

Mr. Lyons 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.

8. POSTPONEMENT OF ORDER OF THE DAY.—Ordered—That Order of the Day No. 1 be postponed until after Order of the Day No. 4, Government Business.

9. CONCILIATION AND ARBITRATION BILL (1931).—The Order of the Day having been read for the resumption of the debate on the question, That the Bill be now read a second time—
Debate resumed.

Question—put.

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

Ayes, 31.

Mr. Austey	Mr. Long
Mr. Blakeley	Mr. Marks
Mr. Brennan	Mr. Martens
Mr. Chifley	Mr. McGrath
Mr. Coleman	Mr. McNeill
Mr. Crouch	Mr. Parker Moloney
Mr. Culley	Mr. Riordan
Mr. Cunningham	Mr. Rowe
Mr. Curtin	Mr. Scullin
Mr. Cusack	Mr. Thompson
Mr. Fenton	Mr. Tully
Mr. Forde	Mr. Yates
Mr. Gabb	
Mr. Gibbons	
Mr. Holloway	<i>Tellers:</i>
Mr. Jones	Mr. Edward Riley
Mr. Keane	Mr. E. C. Riley

Noes, 17.

Mr. Bell	Mr. Parkhill
Mr. Donald Cameron	Mr. Thomas Paterson
Mr. Gregory	Mr. Prowse
Mr. James	Mr. Ward
Mr. Latham	Mr. White
Mr. Lazzarini	
Mr. Mackay	<i>Tellers:</i>
Mr. Marr	Mr. Bayley
Mr. Morgan	Mr. Hunter
Mr. Nairn	

And so it was resolved in the affirmative.—Bill read a second time.

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

(In the Committee.)

Clause 1—

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

The House resumed ; Mr. Crouch reported accordingly.

Resolved—That the House will, at the next sitting, again resolve itself into the said Committee.

10. MESSAGE FROM THE SENATE.—CUSTOMS TARIFF (CANADIAN PREFERENCE) BILL.—Mr. Speaker announced the receipt of the following Message from the Senate :—

MR. SPEAKER,

Message No. 127.

The Senate returns to the House of Representatives the Bill for “ *An Act relating to Preferential Duties of Customs on Goods the Produce or Manufacture of the Dominion of Canada, and for other purposes,* ” and requests the House to amend the Bill as set forth in the annexed Schedule.

WALTER KINGSMILL,
President.

The Senate,

Canberra, 21st July, 1931.

Ordered—That the foregoing Message be taken into consideration, in Committee of the whole House, at a later hour this day.

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11. SUSPENSION OF STANDING ORDERS TO ENABLE QUESTIONS IN REGARD TO THE SALES TAX BILLS AND SALES TAX ASSESSMENT BILLS TO BE CONSIDERED TOGETHER.—Mr. Scullin (Prime Minister) moved, by leave, That so much of the Standing Orders be suspended as would prevent the questions in regard to the introduction, first and second readings, and Committee's report stage, being put in one motion covering several or all of the Bills dealing with the Sales Tax and the Sales Tax Assessment, and also several or all of such Bills being considered together in a Committee of the Whole.
Question—put and passed.
12. SUSPENSION OF STANDING ORDERS IN REGARD TO SALES TAX BILLS AND SALES TAX ASSESSMENT BILLS.—Mr. Scullin (Prime Minister) moved, by leave, That the Standing Orders be suspended to enable all Bills dealing with the Sales Tax and the Sales Tax Assessment to be passed through all stages without delay.
Question—put and passed.
13. SALES TAX ASSESSMENT BILL (No. 1) (1931).—Mr. Scullin (Prime Minister) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Sales Tax Assessment Act (No. 1) 1930*, as amended by the *Sales Tax Assessment Act (No. 1A) 1930*.
Question—put and passed.
Mr. Scullin 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.
Ordered—That the second reading be made an Order of the Day for the next sitting.
14. SALES TAX ASSESSMENT BILL (No. 2) (1931).—Mr. Scullin (Prime Minister) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Sales Tax Assessment Act (No. 2) 1930*, as amended by the *Sales Tax Assessment Act (No. 2A) 1930*.
Question—put and passed.
15. SALES TAX ASSESSMENT BILL (No. 3) (1931).—Mr. Scullin (Prime Minister) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Sales Tax Assessment Act (No. 3) 1930*, as amended by the *Sales Tax Assessment Act (No. 3A) 1930*.
Question—put and passed.
16. SALES TAX ASSESSMENT BILL (No. 4) (1931).—Mr. Scullin (Prime Minister) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Sales Tax Assessment Act (No. 4) 1930*, as amended by the *Sales Tax Assessment Act (No. 4A) 1930*.
Question—put and passed.
17. SALES TAX ASSESSMENT BILL (No. 5) (1931).—Mr. Scullin (Prime Minister) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Sales Tax Assessment Act (No. 5) 1930*, as amended by the *Sales Tax Assessment Act (No. 5A) 1930*.
Question—put and passed.
Mr. Scullin 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.
Ordered—That the second reading be made an Order of the Day for the next sitting.
18. SALES TAX ASSESSMENT BILL (No. 6) (1931).—Mr. Scullin (Prime Minister) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Sales Tax Assessment Act (No. 6) 1930*, as amended by the *Sales Tax Assessment Act (No. 6A) 1930*.
Question—put and passed.
19. SALES TAX ASSESSMENT BILL (No. 7) (1931).—Mr. Scullin (Prime Minister) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Sales Tax Assessment Act (No. 7) 1930*, as amended by the *Sales Tax Assessment Act (No. 7A) 1930*.
Question—put and passed.
20. SALES TAX ASSESSMENT BILL (No. 8) (1931).—Mr. Scullin (Prime Minister) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Sales Tax Assessment Act (No. 8) 1930*, as amended by the *Sales Tax Assessment Act (No. 8A) 1930*.
Question—put and passed.
21. SALES TAX ASSESSMENT BILL (No. 9) (1931).—Mr. Scullin (Prime Minister) moved, by leave, That he have leave to bring in a Bill for an Act to amend the *Sales Tax Assessment Act (No. 9) 1930*, as amended by the *Sales Tax Assessment Act (No. 9A) 1930*.
Question—put and passed.
22. DEBT CONVERSION AGREEMENT BILL.—The Order of the Day having been read for the further consideration of this Bill in Committee of the whole House—Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

The Schedule—

On the motion of Mr. Scullin (Prime Minister), the following amendment was made, after debate :—
Page 2, omit the Schedule, insert the following new Schedule :—

DEBT CONVERSION AGREEMENT.

AGREEMENT made the twenty-first day of July One thousand nine hundred and thirty-one BETWEEN THE COMMONWEALTH OF AUSTRALIA (in this Agreement called the Commonwealth) of the first part, THE STATE OF NEW SOUTH WALES of the second part, THE STATE OF VICTORIA of the third part, THE STATE OF QUEENSLAND of the fourth part, THE STATE

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OF SOUTH AUSTRALIA of the fifth part, THE STATE OF WESTERN AUSTRALIA of the sixth part, and THE STATE OF TASMANIA of the seventh part (each of the parties of the second, third, fourth, fifth, sixth, and seventh parts being in this Agreement referred to as a State, and the expression "the States" in this Agreement meaning where the context so permits or requires all of such parties):

WHEREAS by section 105A of the Constitution it is provided that the Commonwealth may make agreements with the States with respect to the public debts of the States, including (*inter alia*) the consolidation, renewal, conversion, and redemption of such debts:

AND WHEREAS at a Conference between Ministers of the Commonwealth and Ministers of the States convened in Melbourne on the twenty-fifth day of May, 1931, it was resolved, as part of a plan for establishing the financial stability of the Commonwealth and of the States, that a conversion should be arranged of the internal public debts of the Commonwealth and of the States and the following conditions were provisionally agreed upon as recommendations by the Conference to the Australian Loan Council, namely:—

General Conditions.

1. Holders of all existing securities to be invited to convert their holdings into new stock—conversion to apply to all securities the holders of which do not dissent as prescribed by Commonwealth law.

2. On conversion all existing securities to be subject to a general reduction of $22\frac{1}{2}$ per cent. in the interest yield provided that holders of 3, $3\frac{1}{2}$, and $3\frac{3}{4}$ per cent. stocks who acquired such securities prior to 4th August, 1914, shall not have their interest reduced below 3 per cent.

3. New securities to be restricted to three flat rates of interest, viz., 4, $3\frac{7}{8}$, and 3 per cent., and to be spread over ten (10) fixed maturity dates as follows, subject to the Government having the right to redeem in whole or in part at any time after 31st December, 1950:—

Period—Years.	Rate of Interest per cent.
7	4 and 3
10	4
13	4 and 3
16	4 and $3\frac{7}{8}$
19	4
22	4
24	4
26	4
28	4
30	4 and 3

4. The new securities to be Commonwealth securities, and to be in the form of bearer-bonds, debentures, or inscribed stock, &c., as at present.

5. The equivalent amount of new stock to be determined by actuarial valuation after taking into account the interest rate and date of maturity of each existing security, and after allowing for the general reduction of $22\frac{1}{2}$ per cent. in the interest yield.

6. Existing securities (£450,000,000) now bearing interest at $5\frac{1}{4}$ per cent. and over to be converted into 4 per cent. at a premium. As a general rule each holding to be spread equally over the ten maturity dates, but special arrangements to be made to consolidate small holdings on conversion.

7. Existing securities (£45,000,000) now bearing interest at 5 per cent. to be converted, at option of holder, into $3\frac{7}{8}$ per cent. stock at par, maturing in sixteen years, or 4 per cent. stock (at a discount).

8. Existing securities (£61,000,000) now bearing interest at less than 5 per cent. to be converted, at option of holder, into 3 per cent. stock maturing in seven years and thirteen years (at a premium), or into 4 per cent. stock (at a discount).

9. To facilitate the issue of new securities, all fractions below £10 to be paid off in cash, subject to holders being entitled to contribute cash to make up the next higher £10.

10. The interest on the new securities to be free from the present Commonwealth super-tax of $7\frac{1}{2}$ per cent., and from any further taxation which may be imposed by the Commonwealth or by any State, but to be subject to other existing Commonwealth and State taxes.

11. Where overseas trade money has been temporarily invested in short-term securities, because of exchange difficulties, the holders to be given the right to convert into a short-term new security, subject to other conditions similar to the main conversion.

Special Conditions Applicable to Tax-Free Securities.

12. Tax-free securities with definite dates of maturity—

(i) Holders to be invited to convert into new securities subject to the general reduction of $22\frac{1}{2}$ per cent. in the interest yield, with the proviso set out in clause 2 above.

(ii) Holders of tax-free securities who so convert to be given new securities at the reduced rates, such securities to be tax-free only until the existing date of maturity.

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(iii) The new securities issued to replace the tax-free securities maturing in 1932, 1933, and 1934 to be re-converted on maturity dates into 4 per cent. securities maturing in 1941, on the same basis as other conversions into the new 4 per cent. issue.

(iv) The new securities to replace all other tax-free securities to retain their present maturity dates.

13. Tax-free securities which are "Interminable," "Redeemable at option of Government," &c.—

Holders to be invited to convert into new securities, subject to the general reduction of 22½ per cent. in the interest yield, with the proviso set out in clause 2 above, the general conditions attaching to the new securities to be the same as those attaching to the original securities.

Government Securities Held by State Savings Banks.

14. Dates of maturities of securities held by the State Savings Banks to stand, if so desired by the Treasurer of the State concerned, on same conditions as conversion issue.

Treasury Bills.

15. The rate of interest on Treasury Bills taken up by the banks in Australia to be reduced to 4 per cent., and all other questions in relation to the Bills to be settled by the Loan Council in consultation with the banks.

Loan Council.

16. The terms herein set out to be regarded as recommendations by the Conference to the Loan Council, which it is to be understood is at liberty to modify any details of the plan, and to settle all details not included above :

AND WHEREAS the said conditions with certain modifications have been embodied in a Bill for an Act to be known as the *Commonwealth Debt Conversion Act 1931* which has been passed by both Houses of the Federal Parliament and is ready for presentation to the Governor-General for the Royal assent and is hereinafter referred to as the said Act :

AND WHEREAS there have been incorporated in the said Act additional provisions deemed to be convenient for carrying out the said conditions as so modified as aforesaid :

NOW THIS AGREEMENT WITNESSETH :

1. This Agreement shall have full force and effect, and shall be binding on all the parties, when it is approved by the Parliaments of the Commonwealth and of the States.

2. The Commonwealth is authorized to arrange and effect a conversion, on the basis of a twenty-two and a half per centum reduction of interest, in accordance with the terms and conditions of sections three, eight, and ten to twenty-two inclusive, of the said Act, of all public debts of the States the liability for which has been assumed by the Commonwealth under the Financial Agreement hereinafter mentioned and the interest and principal of which are payable in Australia, and of all public debts of the Commonwealth (including borrowings by the Commonwealth for or on behalf of a State under the said Financial Agreement) the interest and principal of which are payable in Australia. The said sections of the said Act shall be binding upon the parties hereto as part of this Agreement.

3. The Commonwealth will take the necessary action to submit to the Federal Parliament any legislation necessary to carry out or give effect to this Agreement.

4. So far as the provisions of this Agreement may not be in accordance with any provisions of the Financial Agreement between the parties hereto, dated the 12th day of December, 1927, the provisions of this Agreement shall prevail.

5. Subject to the last preceding clause, the provisions of the said Financial Agreement, and the undertakings and obligations of the Commonwealth and of the States therein contained, shall apply to the public debts after conversion in the same manner as they applied before conversion.

Signed by the Prime Minister of the Commonwealth of Australia for and on behalf of the said Commonwealth in the presence of—
G. L. CAMPBELL.

J. H. SCULLIN.

Signed by the Premier of the State of New South Wales for and on behalf of the said State in the presence of—
C. R. CHAPMAN.

JOHN T. LANG.

Signed by the Premier of the State of Victoria for and on behalf of the said State in the presence of—
H. A. PITT.

E. J. HOGAN.

Signed by the Premier of the State of Queensland for and on behalf of the said State in the presence of—
G. W. WATSON.

A. E. MOORE.

Signed by the Premier of the State of South Australia for and on behalf of the said State in the presence of—
S. R. WHITFORD.

LIONEL L. HILL.

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Signed by the Premier of the State of Western Australia for and on behalf of the said State in the presence of— L. E. SHAPCOTT, J.P. Signed by the Premier of the State of Tasmania for and on behalf of the said State in the presence of— E. PARKES.	}	JAMES MITCHELL. J. C. McPHEE.
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Preamble agreed to.

Title agreed to.

Bill to be reported with an amendment.

The House resumed ; Mr. Mackay reported accordingly.

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

23. WAYS AND MEANS—SALES TAX (1931).—The House, according, to Order, resolved itself into the Committee of Ways and Means.

(In the Committee.)

The following motions of Mr. Theodore (Treasurer) moved on the 10th and 15th instant, viz. :—

(1.) That in lieu of the rates of tax imposed by the *Sales Tax Acts (No. 1) 1930* there be imposed sales tax at the rate of six per centum upon the sale value of goods manufactured in Australia by a taxpayer, which are sold by him or applied to his own use on or after the eleventh day of July, One thousand nine hundred and thirty-one, or treated by him, on or after that date, as stock for sale by retail.

(2.) That in lieu of the rates of tax imposed by the *Sales Tax Act (No. 2) 1930* there be imposed sales tax at the rate of six per centum upon the sale value of goods manufactured in Australia, which are sold, on or after the eleventh day of July, One thousand nine hundred and thirty-one, by a taxpayer who purchased them from the manufacturer.

(3.) That in lieu of the rates of tax imposed by the *Sales Tax Act (No. 3) 1930* there be imposed sales tax at the rate of six per centum upon the sale value of goods manufactured in Australia, which are sold on or after the eleventh day of July, One thousand nine hundred and thirty-one, by a taxpayer not being either the manufacturer of those goods or a purchaser of those goods from the manufacturer.

(4.) That in lieu of the rates of tax imposed by the *Sales Tax Act (No. 4) 1930* there be imposed sales tax at the rate of six per centum upon the sale value of goods manufactured in Australia and sold to a taxpayer who has, on or after the eleventh day of July, One thousand nine hundred and thirty-one, applied those goods to his own use.

(5.) That in lieu of the rates of tax imposed by the *Sales Tax Act (No. 5) 1930* there be imposed sales tax at the rate of six per centum upon the sale value of goods imported into Australia by a taxpayer on or after the eleventh day of July, One thousand nine hundred and thirty-one.

(6.) That in lieu of the rates of tax imposed by the *Sales Tax Act (No. 6) 1930* there be imposed sales tax at the rate of six per centum upon the sale value of goods imported into Australia, which are sold, on or after the eleventh day of July, One thousand nine hundred and thirty-one, by a taxpayer who imported those goods.

(7.) That in lieu of the rates of tax imposed by the *Sales Tax Act (No. 7) 1930* there be imposed sales tax at the rate of six per centum upon the sale value of goods imported into Australia, which are sold, on or after the eleventh day of July, One thousand nine hundred and thirty-one, by a taxpayer not being the importer of those goods.

(8.) That in lieu of the rates of tax imposed by the *Sales Tax Act (No. 8) 1930* there be imposed sales tax at the rate of six per centum upon the sale value of goods imported into Australia which are sold to a taxpayer and are applied, on or after the eleventh day of July, One thousand nine hundred and thirty-one, to his own use.

(9.) That in lieu of the rates of tax imposed by the *Sales Tax Act (No. 9) 1930* there be imposed sales tax at the rate of six per centum upon the sale value of goods in Australia, leased by a taxpayer on or after the eleventh day of July, One thousand nine hundred and thirty-one—further considered.

Question—That the motions be agreed to—put and passed.

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

The House resumed ; Mr. Crouch reported accordingly.

Resolved—That the House will, at the next sitting, again resolve itself into the said Committee.

The Resolutions reported from the Committee were read, and (the Standing Orders having been suspended, see page 753), on the motion of Mr. Scullin (Prime Minister), were adopted by the House.

Ordered—That Mr. Scullin and Mr. Blakeley do prepare and bring in Bills to carry out the foregoing Resolutions.

21st July, 1931.

24. SALES TAX BILL (No. 1) (1931).—Mr. Scullin (Prime Minister) then brought up a Bill intituled “*A Bill for an Act to amend the ‘Sales Tax Acts (No. 1) 1930,’*” and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Ordered—That the second reading be made an Order of the Day for the next sitting.
25. SALES TAX BILL (No. 2) (1931).—Mr. Scullin (Prime Minister) also brought up a Bill intituled “*A Bill for an Act to amend the ‘Sales Tax Act (No. 2) 1930,’*” and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Ordered—That the second reading be made an Order of the Day for the next sitting.
26. SALES TAX BILL (No. 3) (1931).—Mr. Scullin (Prime Minister) also brought up a Bill intituled “*A Bill for an Act to amend the ‘Sales Tax Act (No. 3) 1930,’*” and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Ordered—That the second reading be made an Order of the Day for the next sitting.
27. SALES TAX BILL (No. 4) (1931).—Mr. Scullin (Prime Minister) also brought up a Bill intituled “*A Bill for an Act to amend the ‘Sales Tax Act (No. 4) 1930,’*” and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Ordered—That the second reading be made an Order of the Day for the next sitting.
28. SALES TAX BILL (No. 5) (1931).—Mr. Scullin (Prime Minister) also brought up a Bill intituled “*A Bill for an Act to amend the ‘Sales Tax Act (No. 5) 1930,’*” and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Ordered—That the second reading be made an Order of the Day for the next sitting.
29. SALES TAX BILL (No. 6) (1931).—Mr. Scullin (Prime Minister) also brought up a Bill intituled “*A Bill for an Act to amend the ‘Sales Tax Act (No. 6) 1930,’*” and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Ordered—That the second reading be made an Order of the Day for the next sitting.
30. SALES TAX BILL (No. 7) (1931).—Mr. Scullin (Prime Minister) also brought up a Bill intituled “*A Bill for an Act to amend the ‘Sales Tax Act (No. 7) 1930,’*” and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Ordered—That the second reading be made an Order of the Day for the next sitting.
31. SALES TAX BILL (No. 8) (1931).—Mr. Scullin (Prime Minister) also brought up a Bill intituled “*A Bill for an Act to amend the ‘Sales Tax Act (No. 8) 1930,’*” and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Ordered—That the second reading be made an Order of the Day for the next sitting.
32. SALES TAX BILL (No. 9) (1931).—Mr. Scullin (Prime Minister) also brought up a Bill intituled “*A Bill for an Act to amend the ‘Sales Tax Act (No. 9) 1930,’*” and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Ordered—That the second reading be made an Order of the Day for the next sitting.
33. CUSTOMS TARIFF (CANADIAN PREFERENCE) BILL.—SENATE’S REQUEST.—The Order of the Day having been read for the consideration in Committee of the whole House of the Amendment requested by the Senate—
Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

The Committee proceeded to consider the Amendment requested by the Senate, which is as follows :—

SCHEDULE OF A REQUEST BY THE SENATE FOR AN AMENDMENT.

Page 2, clause 5, line 35, after “*Proclamation*” insert “*under the last preceding section*”.

Mr. Parker Moloney (Minister for Markets) moved, That the Requested Amendment be made.

Debate ensued.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Mackay reported accordingly.

On the motion of Mr. Parker Moloney, the House adopted the Report.

Ordered—That the Bill, amended accordingly, be returned to the Senate.

21st July, 1931.

34. ADJOURNMENT.—Mr. Scullin (Prime Minister) moved, That the House do now adjourn.
Question—put and passed.

And then the House, at eleven 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. Beasley, Mr. Malcolm Cameron, Mr. Bernard Corser, Mr. Eldridge, Mr. Josiah Francis, Mr. Frost, Mr. Gardner, Mr. Albert Green, Mr. Gullett, Mr. Hawker, Mr. Hill, Mr. Hughes, Mr. Lacey, Mr. Lewis, Mr. W. Maloney, Mr. Mathews, Mr. Maxwell, Mr. Earle Page*, Mr. Price, Mr. Stewart, Mr. Theodore, and Mr. Watkins.

* On leave.

E. W. PARKES,
Clerk of the House of Representatives.