

1940-41-42.

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA,  
CANBERRA.

VOTES AND PROCEEDINGS  
OF THE  
HOUSE OF REPRESENTATIVES.

No. 84.

THURSDAY, 28TH MAY, 1942.

1. The House met, at half-past two o'clock p.m., pursuant to adjournment.—Mr. Speaker (the Honorable W. M. Nairn) took the Chair, and read Prayers.
2. RURAL INDUSTRIES—JOINT COMMITTEE—FOURTH PROGRESS REPORT.—Mr. Francis, Chairman, brought up the Fourth Progress Report from the Joint Committee on Rural Industries, and moved, That the Paper be printed.  
Question—put and passed.
3. ROYAL AUSTRALIAN AIR FORCE—TRANSFERS FROM MILITARY FORCES—MINISTERIAL STATEMENT.—Mr. Forde (Minister for the Army), by leave, made a Ministerial Statement informing the House of the arrangements made to enable members of the Military Forces to transfer to the Royal Australian Air Force.
4. PAPERS.—The following Papers were presented, pursuant to Statute—  
Lands Acquisition Act—Land acquired for Defence purposes—  
Cavan, South Australia.  
Mackay, Queensland.  
National Security Act—National Security (General) Regulations—Orders—  
Control of machine tools.  
Prohibited place.  
Taking possession of land, &c. (32).  
Use of land (25).
5. MESSAGE FROM THE SENATE.—NAVIGATION BILL 1942.—Mr. Speaker announced the receipt of the following Message from the Senate :—  

MR. SPEAKER, Message No. 116.  
The Senate has passed a Bill for “ *An Act to amend Part IX. of the ‘ Navigation Act 1912–1935’ relating to Courts of Marine Inquiry* ”, and transmits the same to the House of Representatives for its concurrence.

JAS. CUNNINGHAM,  
President.

The Senate,  
Canberra, 28th May, 1942, a.m.

Mr. Scully (Minister for Commerce) moved, That the Bill transmitted by the foregoing Message 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.
6. MESSAGE FROM THE SENATE.—LIGHTHOUSES BILL 1942.—Mr. Speaker announced the receipt of the following Message from the Senate :—  

MR. SPEAKER, Message No. 117.  
The Senate has passed a Bill for “ *An Act to amend the ‘ Lighthouses Act 1911–1919’* ”, and transmits the same to the House of Representatives for its concurrence.

JAS. CUNNINGHAM,  
President.

The Senate,  
Canberra, 28th May, 1942, a.m.

Mr. Scully (Minister for Commerce) moved, That the Bill transmitted by the foregoing Message 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.
7. INCOME TAX (WAR-TIME ARRANGEMENTS) BILL 1942.—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.  
Ordered—That Mr. Menzies be granted an extension of time.  
Debate continued.  
Ordered—That Mr. Calwell be granted an extension of time.

28th and 29th May, 1942.

*Member named.*—The Deputy Speaker (Mr. Martens) named the honorable Member for Hunter (Mr. James) for disregarding the authority of the Chair.  
Mr. James having expressed his regret, the matter was not further proceeded with.  
Debate continued.

The House continuing to sit until after midnight—

FRIDAY, 29TH MAY, 1942.

Debate continued.

Question—put.

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

Ayes, 41.

|               |                       |
|---------------|-----------------------|
| Mr. Abbott    | Mr. Langtry           |
| Mr. Baker     | Mr. Lawson            |
| Mr. Barnard   | Mr. Lazzarini         |
| Mr. Beasley   | Mr. Makin             |
| Mr. Beck      | Mr. Morgan            |
| Mr. Breen     | Mr. Mulcahy           |
| Mr. Chifley   | Mr. Pollard           |
| Mr. Clark     | Mr. Prowse            |
| Mr. Corser    | Mr. Riordan           |
| Mr. Curtin    | Mr. Rosevear          |
| Mr. Dedman    | Mr. Scully            |
| Mr. Drakeford | Mr. Sheehan           |
| Mr. Fadden    | Mr. Spender           |
| Mr. Forde     | Mr. Spooner           |
| Mr. Francis   | Sir Frederick Stewart |
| Mr. Frost     | Mr. Ward              |
| Mr. Guy       | Mr. Watkins           |
| Mr. Harrison  |                       |
| Mr. Holloway  |                       |
| Mr. James     |                       |
| Mr. Johnson   | Mr. Conelan           |
| Mr. Jolly     | Mr. Martens           |

*Tellers:*

Noes, 11.

|                   |
|-------------------|
| Mr. Cameron       |
| Mr. Duncan-Hughes |
| Mr. Holt          |
| Mr. Hutchinson    |
| Mr. Marwick       |
| Mr. McEwen        |
| Mr. Menzies       |
| Mr. Price         |
| Mr. Rankin        |

*Tellers:*

|               |
|---------------|
| Mr. Badman    |
| Mr. Blackburn |

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.)

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

Bill to be reported without amendment.

The House resumed; Mr. Prowse reported accordingly.

On the motion of Mr. Chifley (Treasurer), the House adopted the Report, and, by leave, the Bill was read a third time.

8. STATES GRANTS (INCOME TAX REIMBURSEMENT) BILL 1942.—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—

Question—put.

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

Ayes, 41.

|               |                       |
|---------------|-----------------------|
| Mr. Abbott    | Mr. Langtry           |
| Mr. Baker     | Mr. Lawson            |
| Mr. Barnard   | Mr. Lazzarini         |
| Mr. Beasley   | Mr. Makin             |
| Mr. Beck      | Mr. Morgan            |
| Mr. Breen     | Mr. Mulcahy           |
| Mr. Chifley   | Mr. Pollard           |
| Mr. Clark     | Mr. Prowse            |
| Mr. Corser    | Mr. Riordan           |
| Mr. Curtin    | Mr. Rosevear          |
| Mr. Dedman    | Mr. Scully            |
| Mr. Drakeford | Mr. Sheehan           |
| Mr. Fadden    | Mr. Spender           |
| Mr. Forde     | Mr. Spooner           |
| Mr. Francis   | Sir Frederick Stewart |
| Mr. Frost     | Mr. Ward              |
| Mr. Guy       | Mr. Watkins           |
| Mr. Harrison  |                       |
| Mr. Holloway  |                       |
| Mr. James     |                       |
| Mr. Johnson   | Mr. Conelan           |
| Mr. Jolly     | Mr. Martens           |

*Tellers:*

Noes, 11.

|                   |
|-------------------|
| Mr. Cameron       |
| Mr. Duncan-Hughes |
| Mr. Holt          |
| Mr. Hutchinson    |
| Mr. Marwick       |
| Mr. McEwen        |
| Mr. Menzies       |
| Mr. Price         |
| Mr. Rankin        |

*Tellers:*

|               |
|---------------|
| Mr. Badman    |
| Mr. Blackburn |

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

28th and 29th May, 1942.

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. Prowse reported accordingly.

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

9. MESSAGE FROM THE GOVERNOR-GENERAL.—STATES GRANTS (INCOME TAX REIMBURSEMENT) BILL 1942.—The following Message from His Excellency the Governor-General was presented, and was read by Mr. Speaker :—

GOWRIE,

*Governor-General.*

*Message No. 66.*

In accordance with the requirements of section 56 of the Constitution of the Commonwealth of Australia, the Governor-General recommends to the House of Representatives that an appropriation of revenue be made for the purposes of amendments to be moved by the Treasurer in a Bill for an Act to make provision for the grant of financial assistance to States, and for other purposes.

Canberra, 27th May, 1942.

Ordered—That the foregoing 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. Chifley (Treasurer) moved, That it is expedient that an appropriation of revenue be made for the purposes of amendments to be moved by the Treasurer in a Bill for an Act to make provision for the grant of financial assistance to States, and for other purposes.

Debate ensued.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Prowse reported accordingly.

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

10. STATES GRANTS (INCOME TAX REIMBURSEMENT) BILL 1942.—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 again resolved itself into a Committee of the Whole.

(In the Committee.)

Clauses 1 to 3 agreed to.

Clause 4 debated and agreed to.

Clause 5 agreed to.

Clause 6 debated and agreed to.

Clauses 7 and 8 agreed to.

Proposed new clause—

Mr. Fadden (Leader of the Opposition) moved, That the following new clause be inserted in the Bill :—

“ 6A.—(1.) If the Treasurer is satisfied that in any financial year the Commonwealth has relieved a State to which payments may be made under section four of this Act of the financial responsibility for any service or benefit previously provided by that State, he may, by writing, so inform the Commonwealth Grants Commission constituted under the *Commonwealth Grants Commission Act 1933-1935*.

Reduction  
of grants  
to States.

(2.) Upon receipt of any such information the Commonwealth Grants Commission shall inquire into and report to the Treasurer as to whether it is just that, in consequence of the State having been relieved of that responsibility, a lesser amount of financial assistance should be payable to that State than the amount payable in accordance with section four of this Act, for which purpose the Commonwealth Grants Commission shall have all the powers it would have if the information were an application made by a State under the *Commonwealth Grants Commission Act 1933-1935*.

(3.) Where the Treasurer, after considering the report, is satisfied that it is just that a lesser amount of financial assistance should be payable to that State than the amount payable in accordance with section four of this Act, the amount so payable shall, notwithstanding anything contained in that section, be reduced by such amount (not exceeding the amount recommended by the Commonwealth Grants Commission) as the Treasurer thinks just.”

Debate ensued.

Question—That the clause proposed to be inserted be so inserted—put.

28th and 29th May, 1942.

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

| Ayes, 21.         |                       | Noes, 31.     |                 |
|-------------------|-----------------------|---------------|-----------------|
| Mr. Abbott        | Mr. McDonald          | Mr. Baker     | Mr. Lazzarini   |
| Mr. Badman        | Mr. Menzies           | Mr. Barnard   | Mr. Makin       |
| Mr. Beck          | Mr. Nairn             | Mr. Beasley   | Mr. Morgan      |
| Mr. Cameron       | Mr. Price             | Mr. Blackburn | Mr. Mulcahy     |
| Mr. Duncan-Hughes | Mr. Rankin            | Mr. Breen     | Mr. Pollard     |
| Mr. Fadden        | Mr. Spender           | Mr. Chifley   | Mr. Riordan     |
| Mr. Francis       | Sir Frederick Stewart | Mr. Clark     | Mr. Rosevear    |
| Mr. Harrison      |                       | Mr. Curtin    | Mr. Scully      |
| Mr. Holt          | <i>Tellers:</i>       | Mr. Dedman    | Mr. Sheehan     |
| Mr. Hutchinson    |                       | Mr. Drakeford | Mr. Spooner     |
| Mr. Jolly         | Mr. Corser            | Mr. Forde     | Mr. Ward        |
| Mr. Marwick       | Mr. Guy               | Mr. Frost     | Mr. Watkins     |
|                   |                       | Mr. Holloway  |                 |
|                   |                       | Mr. James     | <i>Tellers:</i> |
|                   |                       | Mr. Johnson   | Mr. Conelan     |
|                   |                       | Mr. Langtry   | Mr. Martens     |
|                   |                       | Mr. Lawson    |                 |

And so it was negatived.

Schedule—

Mr. Fadden moved, as an amendment, That the grant "New South Wales ... £15,356,000" be reduced by £1,337,000.

Debate ensued.

Question—That the amount proposed to be reduced be so reduced—put.

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

| Ayes, 23.         |                       | Noes, 31.     |                 |
|-------------------|-----------------------|---------------|-----------------|
| Mr. Abbott        | Mr. McEwen            | Mr. Baker     | Mr. Lazzarini   |
| Mr. Badman        | Mr. Menzies           | Mr. Barnard   | Mr. Makin       |
| Mr. Beck          | Mr. Nairn             | Mr. Beasley   | Mr. Morgan      |
| Mr. Cameron       | Mr. Paterson          | Mr. Blackburn | Mr. Mulcahy     |
| Mr. Duncan-Hughes | Mr. Price             | Mr. Breen     | Mr. Pollard     |
| Mr. Fadden        | Mr. Rankin            | Mr. Chifley   | Mr. Riordan     |
| Mr. Francis       | Mr. Spender           | Mr. Clark     | Mr. Rosevear    |
| Mr. Harrison      | Sir Frederick Stewart | Mr. Curtin    | Mr. Scully      |
| Mr. Holt          |                       | Mr. Dedman    | Mr. Sheehan     |
| Mr. Hutchinson    | <i>Tellers:</i>       | Mr. Drakeford | Mr. Spooner     |
| Mr. Jolly         |                       | Mr. Forde     | Mr. Ward        |
| Mr. Marwick       | Mr. Corser            | Mr. Frost     | Mr. Watkins     |
| Mr. McDonald      | Mr. Guy               | Mr. Holloway  |                 |
|                   |                       | Mr. James     | <i>Tellers:</i> |
|                   |                       | Mr. Johnson   | Mr. Conelan     |
|                   |                       | Mr. Langtry   | Mr. Martens     |
|                   |                       | Mr. Lawson    |                 |

And so it was negatived.

On the motion of Mr. Chifley (Treasurer), the following amendment was made:—

|                             | £            |
|-----------------------------|--------------|
| Page 2, omit—               |              |
| " Western Australia .. .. . | 2,523,000    |
| Tasmania .. .. .            | 811,000      |
|                             | <hr/>        |
|                             | 33,389,000 " |
| insert—                     |              |
| " Western Australia .. .. . | 2,546,000    |
| Tasmania .. .. .            | 888,000      |
|                             | <hr/>        |
|                             | 33,489,000 " |

Schedule, as amended, agreed to.

Title agreed to.

Bill to be reported with an amendment.

The House resumed; Mr. Prowse reported accordingly.

On the motion of Mr. Chifley (the Standing Orders having previously been suspended, *see* page 335), the House adopted the Report, and the Bill was read a third time.*Suspension of Sitting.*—At seven o'clock a.m., Mr. Speaker left the Chair.*Resumption of Sitting.*—At half-past nine o'clock a.m., Mr. Speaker resumed the Chair.

11. INCOME TAX ASSESSMENT BILL 1942.—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—

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.

28th and 29th May, 1942.

(In the Committee.)

Clauses 1 to 7 agreed to.

Clause 8—

Mr. Fadden (Leader of the Opposition) moved, as an amendment, 'That the words " to the extent to which those rates or taxes are charged or levied in respect of property held by the taxpayer for the purpose of producing assessable income," (page 2, lines 37-39) be omitted.

Debate ensued.

Amendment withdrawn, by leave.

Debate continued.

Clause agreed to.

Clauses 9 to 22 agreed to.

Clause 23 debated and agreed to.

Clause 24 agreed to.

Clause 25 debated and agreed to.

Clauses 26 to 29 agreed to.

Clause 30 debated and agreed to.

Clause 31 agreed to.

Title agreed to.

Bill to be reported without amendment.

The House resumed ; Mr. Prowse reported accordingly.

On the motion of Mr. Chifley (Treasurer), the House adopted the Report, and, by leave, the Bill was read a third time.

12. WAYS AND MEANS—INCOME TAX.—The House, according to Order, resolved itself into the Committee of Ways and Means.

(In the Committee.)

Debate resumed on the motion moved by Mr. Chifley (Treasurer) on the 15th May (see pages 336-338).

Mr. Fadden (Leader of the Opposition) moved, That paragraph 1 be postponed.

Debate continued.

Question—That paragraph 1 be postponed—put.

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

Ayes, 26.

Noes, 32.

|                   |                       |               |                 |
|-------------------|-----------------------|---------------|-----------------|
| Mr. Abbott        | Mr. McEwen            | Mr. Baker     | Mr. Lazzarini   |
| Mr. Badman        | Mr. Menzies           | Mr. Barnard   | Mr. Makin       |
| Mr. Beck          | Mr. Nairn             | Mr. Beasley   | Mr. McLeod      |
| Mr. Cameron       | Mr. Paterson          | Mr. Blackburn | Mr. Morgan      |
| Mr. Collins       | Mr. Perkins           | Mr. Breen     | Mr. Mulcahy     |
| Mr. Duncan-Hughes | Mr. Price             | Mr. Brennan   | Mr. Pollard     |
| Mr. Fadden        | Mr. Rankin            | Mr. Chifley   | Mr. Riordan     |
| Mr. Francis       | Mr. Ryan              | Mr. Clark     | Mr. Rosevear    |
| Mr. Harrison      | Mr. Spender           | Mr. Curtin    | Mr. Scullin     |
| Mr. Holt          | Sir Frederick Stewart | Mr. Dedman    | Mr. Scully      |
| Mr. Hutchinson    |                       | Mr. Drakeford | Mr. Sheehan     |
| Mr. Jolly         | <i>Tellers:</i>       | Mr. Forde     | Mr. Ward        |
| Mr. Marwick       | Mr. Corser            | Mr. Frost     | Mr. Watkins     |
| Mr. McDonald      | Mr. Guy               | Mr. Holloway  |                 |
|                   |                       | Mr. Johnson   | <i>Tellers:</i> |
|                   |                       | Mr. Langtry   | Mr. Conelan     |
|                   |                       | Mr. Lawson    | Mr. Martens     |

And so it was negatived.

Debate continued.

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

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

The House resumed ; Mr. Prowse reported accordingly.

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

Mr. Chifley 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.

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

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

13. INCOME TAX BILL 1942.—Mr. Chifley (Treasurer) then brought up a Bill intituled " A Bill for an Act to impose a Tax upon Incomes ", and moved, That it be now read a first time.

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

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

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.)

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

Bill to be reported without amendment.

28th and 29th May, 1942.

The House resumed ; Mr. Prowse reported accordingly.

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

14. MESSAGE FROM THE SENATE.—GIFT DUTY ASSESSMENT BILL 1942.—Mr. Speaker announced the receipt of the following Message from the Senate :—

MR. SPEAKER,

The Senate returns to the House of Representatives the Bill for " *An Act to amend the ' Gift Duty Assessment Act 1941 '* ", and acquaints the House that the Senate has agreed to the Bill without amendment.

Message No. 118.

JAS. CUNNINGHAM,  
President.

The Senate,  
Canberra, 28th May, 1942.

15. MESSAGE FROM THE SENATE.—ESTATE DUTY ASSESSMENT BILL 1942.—Mr. Speaker announced the receipt of the following Message from the Senate :—

MR. SPEAKER,

The Senate returns to the House of Representatives the Bill for " *An Act to amend the ' Estate Duty Assessment Act 1914-1940 '* ", and acquaints the House that the Senate has agreed to the Bill with the Amendment indicated by the annexed Schedule, in which Amendment the Senate requests the concurrence of the House of Representatives.

Message No. 119.

JAS. CUNNINGHAM,  
President.

The Senate,  
Canberra, 28th May, 1942.

Ordered—That the foregoing 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.)

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

SCHEDULE OF THE AMENDMENT MADE BY THE SENATE.

Page 5, clause 8, line 12, leave out " at any time ", insert " within twelve years from the date upon which the duty became due and payable under the assessment ".

On the motion of Mr. Chifley (Treasurer), the Amendment was agreed to.  
Resolution to be reported.

The House resumed ; Mr. Prowse reported accordingly.

On the motion of Mr. Chifley, the House adopted the Report.

16. WIDOWS' PENSIONS BILL 1942.—SENATE'S REQUESTS.—The Order of the Day having been read for the consideration in Committee of the whole House of the Amendments 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 Amendments requested by the Senate, which are as follows :—

SCHEDULE OF REQUESTS BY THE SENATE FOR AMENDMENTS.

No. 1.—Page 2, clause 4, line 31, leave out " child ", insert " son or daughter ".

No. 2.—Page 11, after clause 34 insert the following new clause :—

" 34A. Whenever the maximum rate of pension per annum is increased or reduced in pursuance of the last preceding section, the maximum rate of pension per annum payable to a pensioner, immediately prior to the increase or reduction, in pursuance of section twenty-one A of this Act, shall be increased or reduced by such amount, if any, as the Minister determines, not exceeding one half of the amount by which the maximum rate of pension per annum is increased or reduced in pursuance of the last preceding section."

On the motion of Mr. Holloway (Minister for Social Services), the Requested Amendments were made.

Resolution to be reported.

The House resumed ; Mr. Prowse reported accordingly.

On the motion of Mr. Holloway, the House adopted the Report.

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

17. ADJOURNMENT.—Mr. Curtin (Prime Minister) moved, That the House do now adjourn.

Debate ensued.

Question—put and passed.

And then the House, at twenty-eight minutes past four o'clock p.m., adjourned until Tuesday next at three o'clock p.m.

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except Mr. Anthony, Sir George Bell, Mr. Blain\*, Mr. Coles, Mr. Evatt, Mr. Falstein, Mr. Hughes, Mr. McCall, Sir Earle Page, and Mr. White\*.

\* On leave.

F. C. GREEN,  
Clerk of the House of Representatives.