

1946-47.

## THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

VOTES AND PROCEEDINGS  
OF THE  
HOUSE OF REPRESENTATIVES.

No. 36.

THURSDAY, 27TH MARCH, 1947.

1. The House met, at half-past ten o'clock a.m., pursuant to adjournment. Mr. Speaker (the Honorable J. S. Rosevear) took the Chair, and read Prayers.
2. PAPERS.—The following Papers were presented, pursuant to Statute—
  - Arbitration (Public Service) Act—Determination by the Arbitrator, &c.—1947—No. 14—Commonwealth Public Service Clerical Association and others; and Amalgamated Postal Workers' Union.
  - Australian National Airlines Act—First Annual Report, including Financial Accounts, by the Australian National Airlines Commission, up to 30th June, 1946.
3. INCOME TAX ASSESSMENT BILL 1947. —Mr. Chifley (Treasurer) moved, pursuant to notice, That he have leave to bring in a Bill for an Act to amend the *Income Tax Assessment Act 1936-1946*.  
Question—put and passed.
4. GIFT DUTY ASSESSMENT BILL 1947. Mr. Chifley (Treasurer) moved, pursuant to notice, That he have leave to bring in a Bill for an Act to amend the *Gift Duty Assessment Act 1941-1942*.  
Question—put and passed.
5. ESTATE DUTY ASSESSMENT BILL 1947. —Mr. Chifley (Treasurer) moved, pursuant to notice, That he have leave to bring in a Bill for an Act to amend the *Estate Duty Assessment Act 1914-1942*.  
Question—put and passed.
6. UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION BILL 1947. —Mr. Dedman (Minister for Post-war Reconstruction) moved, pursuant to notice, That he have leave to bring in a Bill for an Act to approve the Constitution of the United Nations Educational, Scientific and Cultural Organization.  
Question—put and passed.  
Mr. Dedman then brought up the Bill accordingly, and moved, That it be now read a first time.  
Question—put and passed. —Bill read a first time.  
Mr. Dedman moved, by leave, That the second reading be made an Order of the Day for a later hour this day.  
Question—put and passed.
7. SERVICES TRUST FUNDS BILL 1947. —Mr. Chambers (Minister for the Army) moved, pursuant to notice, That he have leave to bring in a Bill for an Act to establish, from the profits and other assets of Canteens conducted within the Defence Force during the time of war which commenced on the Third day of September, One thousand nine hundred and thirty-nine and from other sources, Trust Funds to be administered in the interests of servicemen, ex-servicemen and their dependants, and for other purposes.  
Question—put and passed.
8. 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.
9. UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT—REPORT OF FIRST SESSION OF PREPARATORY COMMITTEE—PRINTING OF PAPER.—The Order of the Day having been read for the resumption of the debate on the following motion of Mr. Dedman (Minister for Post-war Reconstruction), That the Paper [*presented on the 27th February, 1947*], viz. :—  
United Nations Conference on Trade and Employment—Report of First Session of Preparatory Committee—  
be printed—  
Debate resumed.  
Question—put and passed.

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10. INCOME TAX ASSESSMENT BILL 1947.—Mr. Chifley (Treasurer), pursuant to leave given this day, brought up a Bill intituled “ *A Bill for an Act to amend the ‘ Income Tax Assessment Act 1936–1946’* ”, and moved, That it be now read a first time.  
Question—put and passed.—Bill read a first time.  
Mr. Chifley moved, by leave, That the Bill be now read a second time.  
Mr. Menzies (Leader of the Opposition) 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.
11. GIFT DUTY ASSESSMENT BILL 1947.—Mr. Chifley (Treasurer), pursuant to leave given this day, brought up a Bill intituled “ *A Bill for an Act to amend the ‘ Gift Duty Assessment Act 1941–1942’* ”, and moved, That it be now read a first time.  
Question—put and passed.—Bill read a first time.  
Mr. Chifley moved, by leave, That the Bill be now read a second time.  
Mr. Menzies (Leader of the Opposition) 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.
12. ESTATE DUTY ASSESSMENT BILL 1947. —Mr. Chifley (Treasurer), pursuant to leave given this day, brought up a Bill intituled “ *A Bill for an Act to amend the ‘ Estate Duty Assessment Act 1914–1942’* ”, and moved, That it be now read a first time.  
Question—put and passed.—Bill read a first time.  
Mr. Chifley moved, by leave, That the Bill be now read a second time.  
Mr. Holt 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.
13. POSTPONEMENT OF ORDER OF THE DAY. —Ordered—That Order of the Day No. 1, Government Business, be postponed until a later hour this day.
14. WAYS AND MEANS—INCOME TAX, SOCIAL SERVICES CONTRIBUTION, AND GIFT DUTY.—The House, according to Order, resolved itself into the Committee of Ways and Means.

(In the Committee.)

## INCOME TAX.

Mr. Chifley (Treasurer) moved—

1. That a tax be imposed upon incomes at the following rates :—

*Division A. Rate of tax in Respect of a Taxable Income Derived from Personal Exertion.*

(a) If the taxable income does not exceed £1,000 the rate of tax for every £1 of taxable income up to and including £250 shall be nil and the rate of tax for every £1 of taxable income in excess of £250 shall be 25.032 pence increasing uniformly by .032 of one penny for every £1 by which the taxable income exceeds £251.

(b) If the taxable income exceeds £1,000 but does not exceed £2,500 the rate of tax for every £1 of taxable income up to and including £1,000 shall be 36.75 pence and the rate of tax for every £1 of taxable income in excess of £1,000 shall be 73.018 pence increasing uniformly by .018 of one penny for every £1 by which the taxable income exceeds £1,001.

(c) If the taxable income exceeds £2,500 but does not exceed £5,000 the rate of tax for every £1 of taxable income up to and including £2,500 shall be 74.7 pence and the rate of tax for every £1 of taxable income in excess of £2,500 shall be 127.007 pence increasing uniformly by .007 of one penny for every £1 by which the taxable income exceeds £2,501.

(d) If the taxable income exceeds £5,000 the rate of tax for every £1 of taxable income up to and including £5,000 shall be 109.6 pence and the rate of tax for every £1 of taxable income in excess of £5,000 shall be 162 pence.

*Division B.—Rate of Tax in Respect of a Taxable Income Derived from Property.*

(a) If the taxable income does not exceed £500 the rate of tax for every £1 of taxable income up to and including £250 shall be nil and the rate of tax for every £1 of taxable income in excess of £250 shall be 35.052 pence increasing uniformly by .052 of one penny for every £1 by which the taxable income exceeds £251.

(b) If the taxable income exceeds £500 but does not exceed £1,000 the rate of tax for every £1 of taxable income up to and including £500 shall be 24 pence and the rate of tax for every £1 of taxable income in excess of £500 shall be 61.032 pence increasing uniformly by .032 of one penny for every £1 by which the taxable income exceeds £501.

(c) If the taxable income exceeds £1,000 but does not exceed £2,250 the rate of tax for every £1 of taxable income up to and including £1,000 shall be 50.5 pence and the rate of tax for every £1 of taxable income in excess of £1,000 shall be 93.018 pence increasing uniformly by .018 of one penny for every £1 by which the taxable income exceeds £1,001.

(d) If the taxable income exceeds £2,250 but does not exceed £5,000 the rate of tax for every £1 of taxable income up to and including £2,250 shall be 92.2 pence and the rate of tax for every £1 of taxable income in excess of £2,250 shall be 147.003 pence increasing uniformly by .003 of one penny for every £1 by which the taxable income exceeds £2,501.

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(e) If the taxable income exceeds £5,000 the rate of tax for every £1 of taxable income up to and including £5,000 shall be 123.35 pence and the rate of tax for every £1 of taxable income in excess of £5,000 shall be 162 pence.

*Division C.—Rates of Tax in Respect of a Taxable Income Derived Partly from Personal Exertion and Partly from Property.*

(a) For every £1 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 £1 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.—Rates of Tax by Reference to an Average Income.*

(a) For every £1 of taxable income derived from personal exertion by a taxpayer to whose income Division 16 of Part III. of the *Income Tax Assessment Act 1936-1947* applies, the rate of tax shall be ascertained by dividing the tax that would be payable under Division A upon a taxable income from personal exertion equal to his average income by that average income.

(b) For every £1 of taxable income derived from property by such a taxpayer, the rate of tax shall be ascertained by dividing the tax that would be payable under Division B upon a taxable income from property equal to his average income by that average income.

*Division E.—Rates of Tax by Reference to a Notional Income.*

(a) For every £1 of the actual taxable income from personal exertion of a taxpayer deriving a notional income, as specified by sub-section (1.) of section eighty-six of the *Income Tax Assessment Act 1936-1947*, the rate of tax shall be ascertained by dividing the tax that would be payable under Division A upon a taxable income from personal exertion equal to his notional income by that notional income.

(b) For every £1 of the actual taxable income from property of such a taxpayer, the rate of tax shall be ascertained by dividing the tax that would be payable under Division B upon a taxable income from property equal to his notional income by that notional income.

*Division F.—Rates of Tax Payable by a Trustee.*

For every £1 of the taxable income in respect of which a trustee is liable, in pursuance of either section ninety-eight or section ninety-nine of the *Income Tax Assessment Act 1936-1947*, to be assessed and to pay tax, the rate of tax shall be the rate that would be payable under Division A, B, C, D or E, as the case requires, if one individual were liable to be assessed and to pay tax on that taxable income.

*Division G.—Rates of Tax Payable by a Company, other than a Company in the Capacity of Trustee.*

(a) For every £1 of the taxable income the rate of tax shall be—

(i) in the case of a company which is not a life assurance company—Seventy-two pence ;

(ii) in the case of a company which is a mutual life assurance company—Sixty pence ; or

(iii) in the case of a life assurance company, other than a mutual life assurance company—

(1) in respect of the mutual income of the company as defined in sub-section (1A.) of section one hundred and sixty c of the *Income Tax Assessment Act 1936-1947*—Sixty pence ; and

(2) in respect of the remainder of the taxable income of the company—Seventy-two pence.

(b) For every £1 of that portion of the taxable income which has not been distributed as dividends, on which the company is liable, in pursuance of Part IIIA. of the *Income Tax Assessment Act 1936-1947*, to pay further tax, the rate of further tax shall be Twenty-four pence.

(c) For every £1 of interest in respect of which a company is liable, in pursuance of sub-section (1.) of section one hundred and twenty-five of the *Income Tax Assessment Act 1936-1947*, to pay income tax, the rate of tax shall be Seventy-two pence.

*Division H.—Tax Payable where Amount would otherwise include Odd Pence.*

Where, apart from this Division, the income tax which a person would be liable to pay under the preceding Divisions, before deducting any rebate to which he is entitled in his assessment, leaves an amount of pence remaining when expressed in pounds and shillings—

(a) if the remaining pence do not exceed six—the income tax payable by that person shall be the amount so expressed in pounds and shillings ; or

(b) if the remaining pence exceed six—the income tax payable by that person shall be the amount so expressed in pounds and shillings plus One shilling.

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2. That, in addition to any income tax payable under the preceding provisions of this Resolution, there be payable upon the taxable income in excess of Five thousand pounds derived by a company a super-tax at the rate of Twelve pence for every pound of that excess :

Provided that this paragraph shall not apply—

- (a) to the assessment of a company as a trustee ;
- (b) to the income of a company to which section fourteen of the *War-time (Company) Tax Assessment Act 1940-1946* provides that that Act shall not apply ; or
- (c) to the mutual income, as defined in sub-section (1A.) of section one hundred and sixty c of the *Income Tax Assessment Act 1936-1947*, of a life assurance company.

3. That tax in accordance with the preceding provisions of this Resolution be levied and paid for the financial year commencing on the first day of July, One thousand nine hundred and forty-seven, upon the taxable income derived during the year of income as defined by section six of the *Income Tax Assessment Act 1936-1947*.

4. That, until the commencement 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 forty-eight, the foregoing provisions of this Resolution also apply for all financial years subsequent to that commencing on the first day of July, One thousand nine hundred and forty-seven.

5. That provisional tax be imposed, and be payable in accordance with the provisions of the *Income Tax Assessment Act 1936-1947*, in respect of the income of the year of income ending on the thirtieth day of June, One thousand nine hundred and forty-eight.

6. That in this Resolution the expression "*Income Tax Assessment Act 1936-1947*" mean the *Income Tax Assessment Act 1936-1946*, as proposed to be amended by the *Income Tax Assessment Bill 1947*.

#### SOCIAL SERVICES CONTRIBUTION.

Mr. Chifley moved—

1. That, in lieu of the basic rate of contribution and the concessional rate of contribution set out in paragraphs (1.) and (2.) of the First Schedule to the *Social Services Contribution Act 1945-1946*, the following rates apply :—

- (1.) The basic rate of contribution for every £1 of the contributable income shall be Threepence, increasing uniformly by one-tenth of one penny for every £1 by which the contributable income exceeds £100, but the rate shall not in any case exceed One shilling and sixpence.
- (2.) The concessional rate of contribution for every £1 of the contributable income shall be the rate which bears the same proportion to the basic rate as the amount by which the contributable income exceeds the rebatable amount bears to—
  - (a) the contributable income ; or
  - (b) Two hundred and fifty pounds,
 whichever is the lesser amount, but if the rate so ascertained exceeds the basic rate, the concessional rate of contribution shall be the same as the basic rate.

2. That the amendments made by the Act passed to give effect to this resolution be expressed not to apply to assessments for a financial year prior to that commencing on the first day of July, One thousand nine hundred and forty-seven.

#### GIFT DUTY.

Mr. Chifley moved—

1. That, notwithstanding anything contained in section four of the *Gift Duty Act 1941*, the gift duty payable in respect of any gift (not being a gift to which the next succeeding paragraph of this resolution applies) made after the commencement of the Act passed to give effect to this resolution shall not exceed one-half of the amount by which the value of that gift exceeds Two thousand pounds.

2. That where, apart from this paragraph, the rate of gift duty in respect of any gift made after the commencement of the Act passed to give effect to this resolution is to be ascertained by reference to the value of that gift combined with the value of any other gift or gifts, the gift duty in respect of that gift shall not exceed an amount which bears the same proportion to one-half of the amount by which the value of all those gifts exceeds Two thousand pounds as the value of that gift bears to the total value of such of those gifts as are made after the commencement of the Act passed to give effect to this resolution.

3. That the following rates be substituted for the rates of gift duty specified in paragraphs (a) and (b) of the Schedule to the *Gift Duty Act 1941* :—

- (a) where the value of all gifts does not exceed Two thousand pounds—nil.
- (b) where the value of all gifts exceeds Two thousand pounds but does not exceed Ten thousand pounds—Three pounds per centum of the value of the gift.

4. That, subject to the next succeeding paragraph, the amendments made by the Act passed to give effect to this resolution shall not in any way affect gift duty in respect of any gift made before the commencement of that Act.

5. That, in ascertaining the rate of gift duty in respect of a gift made before the commencement of the Act passed to give effect to this resolution, the value of any gift or gifts made after that commencement be not taken into account unless the "value of all gifts", as defined in the Schedule to the *Gift Duty Act 1941*, exceeds Two thousand pounds.

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6. That the Act passed to give effect to this resolution be expressed to come into operation on the day on which it receives the Royal Assent.

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

The House resumed ; Mr. Burke reported accordingly.

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

15. INTERNATIONAL TRADE NEGOTIATIONS—TARIFF REQUESTS—MINISTERIAL STATEMENT—MOTION FOR PRINTING PAPER.—Mr. Chifley (Prime Minister), by leave, made a Ministerial Statement with reference to tariff requests and preferences in relation to current international trade negotiations, and, by command of His Excellency the Governor-General, laid upon the Table the following Paper:—

International Trade Negotiations—Tariff Requests and Preferences—Ministerial Statement, 27th March, 1947, together with the following schedules:—

Schedule 1. Items in the Australian tariff on which other countries are asking Australia to negotiate.

Schedule 2. Items in respect of which Australia proposes to seek tariff concessions from other countries.

Schedule 3. Items on which Australia receives preference in British markets which may be affected by the negotiations.

Schedule 4. Items in respect of which Australia is expected to benefit through the tariff reductions which may be obtained by other countries—

and moved, That the Paper be printed.

Mr. Menzies (Leader of the Opposition) 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.

16. SERVICES TRUST FUNDS BILL 1947.—Mr. Chambers (Minister for the Army), pursuant to leave given this day, brought up a Bill intituled “ *A Bill for an Act to establish, from the profits and other assets of Canteens conducted within the Defence Force during the time of war which commenced on the Third day of September, One thousand nine hundred and thirty-nine and from other sources, Trust Funds to be administered in the interests of servicemen, ex-servicemen and their dependants, and for other purposes* ”, and moved, That it be now read a first time.

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

Mr. Chambers moved, by leave, That the Bill be now read a second time.

Mr. Holt 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.

17. UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION BILL 1947.—The Order of the Day having been read for the second reading—Mr. Dedman (Minister for Post-war Reconstruction) moved, That the Bill be now read a second time.

Mr. Holt 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.

18. ALIENS BILL 1947.—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.)

Clause 18 further debated and agreed to.

Clauses 19 to 21 agreed to.

Title agreed to.

Bill to be reported without amendment.

The House resumed ; Mr. Clark reported accordingly.

On the motion of Mr. Calwell (Minister for Immigration), the House adopted the Report.

Mr. Calwell asked leave to move, That the Bill be now read a third time.

Objection being raised, leave not granted.

Ordered—That the third reading be made an Order of the Day for the next sitting.

19. PAPERS.—The following Papers were presented, pursuant to Statute—

Lands Acquisition Act—Land acquired for—  
Defence purposes—Elizabeth Bay, Sydney.  
Postal purposes—

Ascot Vale, Victoria.

Mount Gambier, South Australia.

20. SPECIAL ADJOURNMENT.—Mr. Chifley (Prime Minister) moved, That the House, at its rising, adjourn until Wednesday, the 16th April next, at three o'clock p.m.

Question—put and passed.

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21. LEAVE OF ABSENCE TO ALL MEMBERS.—Mr. Chifley (Prime Minister) moved, That leave of absence be given to every Member of the House of Representatives from the determination of this sitting of the House to the date of its next meeting.

Question—put and passed.

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

Question put and passed.

And then the House, at five minutes to six o'clock p.m., adjourned until Wednesday, 16th April, at three o'clock p.m.

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MEMBERS PRESENT.—All Members were present (at some time during the sitting) except Mr. Anthony, Mr. Blain, Mr. Fadden, Mr. Falstein, Mr. Gaha, Mr. Howse, Mr. Hughes, Mr. Langtry, Mr. McEwen, Mr. McLeod, Mr. Rankin, Mr. Russell, Mr. Thompson, Mr. Watkins and Mr. White.

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F. C. GREEN,

*Clerk of the House of Representatives.*