

1961.

## THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

## VOTES AND PROCEEDINGS

OF THE

## HOUSE OF REPRESENTATIVES.

No. 18.

TUESDAY, 2ND MAY, 1961.

1. The House met, at half-past two o'clock p.m., pursuant to adjournment.—Mr. Speaker (the Honorable J. McLeay) took the Chair, and read Prayers.
2. PETITION.—Mr. J. R. Fraser presented a Petition from certain citizens of the Australian Capital Territory praying that the Government will take immediate action to defer the implementation of rental increases of Government-owned dwellings in Canberra and conduct an inquiry into Canberra rentals at which evidence may be taken both from individuals and from community organizations.  
Petition received.
3. PAPERS.—The following Paper was presented, by command of His Excellency the Administrator of the Government of the Commonwealth—  
Nauru—Report to the General Assembly of the United Nations on Administration of Nauru for year 1959–60.  
The following Papers were presented, pursuant to Statute—  
Explosives Act—Explosives Regulations—Order—Berthing of a vessel.  
Lands Acquisition Act—Land, &c., acquired for—  
Civil Aviation purposes—Meningie, South Australia.  
Defence purposes—North Ryde, New South Wales.  
Postal purposes—  
Gosse (Kangaroo Island), South Australia.  
Jugiong, New South Wales.  
Northern Territory (Administration) Act—Ordinance—1961—No. 17—Agricultural Development Leases.  
Public Service Act—Appointments—Department—  
Primary Industry—I. T. D. Nicholson.  
Treasury—M. H. Codd, M. S. Keating, I. P. McDonell, D. L. Purnell, G. C. Undy.

4. MESSAGES FROM THE ADMINISTRATOR—ADDITIONAL ESTIMATES AND ADDITIONAL ESTIMATES FOR WORKS AND SERVICES, 1960–61.—Mr. Speaker announced the receipt of the following Messages from His Excellency the Administrator of the Government of the Commonwealth:—

DALLAS BROOKS,  
*Administrator.*

*Message No. 6.*

In accordance with the requirements of section fifty-six of the Constitution of the Commonwealth of Australia, the Administrator of the Government of the Commonwealth transmits to the House of Representatives Additional Estimates of Expenditure for the year ending on the thirtieth day of June, One thousand nine hundred and sixty-one, and recommends an appropriation of the Consolidated Revenue Fund accordingly.

Canberra, 27th April, 1961.

DALLAS BROOKS,  
*Administrator.*

*Message No. 7.*

In accordance with the requirements of section fifty-six of the Constitution of the Commonwealth of Australia, the Administrator of the Government of the Commonwealth transmits to the House of Representatives Additional Estimates of Expenditure for Additions, New Works and other Services involving Capital Expenditure for the year ending on the thirtieth day of June, One thousand nine hundred and sixty-one, and recommends an appropriation of the Consolidated Revenue Fund accordingly.

Canberra, 27th April, 1961.

Ordered—That the Messages, together with the accompanying Estimates, be referred to the Committee of Supply forthwith.

2nd May, 1961.

5. SUPPLY—ADDITIONAL ESTIMATES AND ADDITIONAL ESTIMATES FOR WORKS AND SERVICES, 1960–61.—  
The Order of the Day having been read for going into the Committee of Supply—  
Question—That the Speaker do now leave the Chair—put and passed.  
Whereupon Mr. Speaker left the Chair, and the House resolved itself into the Committee of Supply.

(In the Committee.)

## ADDITIONAL ESTIMATES.

Mr. Holt (Treasurer) moved, That there be granted to Her Majesty an additional sum not exceeding £57,143,000 for the services of the year 1960–61, viz.:—

PART 1.—DEPARTMENTS AND SERVICES—OTHER THAN BUSINESS UNDERTAKINGS  
AND TERRITORIES OF THE COMMONWEALTH.

	£
Parliament .. .. .	70,150
Prime Minister's Department .. .. .	138,900
Department of External Affairs .. .. .	208,080
Department of the Treasury .. .. .	160,140
Attorney-General's Department .. .. .	91,020
Department of the Interior .. .. .	372,010
Department of Works .. .. .	395,800
Department of Civil Aviation .. .. .	311,660
Department of Customs and Excise .. .. .	101,900
Department of Health .. .. .	58,720
Department of Trade .. .. .	115,800
Department of Primary Industry .. .. .	17,000
Department of Social Services .. .. .	87,850
Department of Shipping and Transport .. .. .	7,850
Department of Territories .. .. .	40,700
Department of Immigration .. .. .	74,400
Department of Labour and National Service .. .. .	56,900
Department of National Development .. .. .	14,750
Commonwealth Scientific and Industrial Research Organization .. .. .	54,000
Defence Services—	£
Department of Defence .. .. .	54,400
Department of the Navy .. .. .	799,500
Department of the Army .. .. .	839,500
Department of Air .. .. .	2,394,000
Department of Supply .. .. .	327,700
Other Services .. .. .	100
	4,415,200
Miscellaneous Services .. .. .	3,303,710
Refunds of Revenue .. .. .	3,497,000
Loan Consolidation and Investment Reserve .. .. .	40,000,000
War and Repatriation Services .. .. .	612,460
	54,206,000

## PART 2.—BUSINESS UNDERTAKINGS.

Commonwealth Railways .. .. .	166,000
Postmaster-General's Department .. .. .	2,030,000
Broadcasting and Television Services .. .. .	148,000
	2,344,000

## PART 3.—TERRITORIES OF THE COMMONWEALTH.

Northern Territory .. .. .	305,860
Australian Capital Territory .. .. .	138,990
Papua and New Guinea .. .. .	146,300
Cocos (Keeling) Islands .. .. .	1,750
Christmas Island .. .. .	100
	593,000
TOTAL .. .. .	57,143,000

Question—put and passed.

2nd May, 1961.

## ADDITIONAL ESTIMATES FOR WORKS AND SERVICES.

Mr. Holt moved, That there be granted to Her Majesty an additional sum not exceeding £2,955,000 for the services of the year 1960-61, for Additions, New Works and other Services involving Capital Expenditure, viz. :—

## PART 1.—DEPARTMENTS AND SERVICES—OTHER THAN BUSINESS UNDERTAKINGS AND TERRITORIES OF THE COMMONWEALTH.

	£
Prime Minister's Department .. .. .	134,100
Department of External Affairs .. .. .	54,580
Department of the Treasury .. .. .	120,000
Attorney-General's Department .. .. .	16,000
Department of the Interior .. .. .	60,650
Department of Works .. .. .	7,000
Department of Civil Aviation .. .. .	2,073,000
Department of Customs and Excise .. .. .	1,820
Department of Health .. .. .	20,830
Department of Trade .. .. .	23,420
Department of Primary Industry .. .. .	12,200
Department of Social Services .. .. .	26,000
Department of Territories .. .. .	2,000
Department of Immigration .. .. .	53,400
Department of National Development .. .. .	13,000
Commonwealth Scientific and Industrial Research Organization .. .. .	8,700
<b>TOTAL PART 1</b> .. .. .	<b>2,626,700</b>

## PART 2.—BUSINESS UNDERTAKINGS.

Postmaster-General's Department .. .. .	135,000
Broadcasting and Television Services .. .. .	42,100
<b>TOTAL PART 2</b> .. .. .	<b>177,100</b>

## PART 3.—TERRITORIES OF THE COMMONWEALTH.

Northern Territory .. .. .	79,000
Australian Capital Territory .. .. .	72,200
<b>TOTAL PART 3</b> .. .. .	<b>151,200</b>
<b>TOTAL</b> .. .. .	<b>2,955,000</b>

Question—put and passed.

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

The House resumed; Mr. Lucock reported accordingly.

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

Mr. Holt 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.

On the motion of Mr. Holt, the Resolutions reported from the Committee were adopted by the House.

6. POSTPONEMENT OF ORDERS OF THE DAY.—Ordered—That Orders of the Day Nos. 1 to 6, Government Business, be postponed until a later hour this day.
7. WAYS AND MEANS—ADDITIONAL ESTIMATES AND ADDITIONAL ESTIMATES FOR WORKS AND SERVICES, 1960-61.—The House, according to Order, resolved itself into the Committee of Ways and Means.

(In the Committee.)

Mr. Holt (Treasurer) moved the following two motions:—

## ADDITIONAL ESTIMATES.

That, towards making good the additional Supply granted to Her Majesty for the service of the year 1960-61, there be granted out of the Consolidated Revenue Fund the sum of £57,143,000.

## ADDITIONAL ESTIMATES FOR WORKS AND SERVICES.

That, towards making good the additional Supply granted to Her Majesty for the service of the year 1960-61, for Additions, New Works and other Services involving Capital Expenditure, there be granted out of the Consolidated Revenue Fund the sum of £2,955,000.

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

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

2nd May, 1961.

The House resumed; Mr. Lucock reported accordingly.

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

On the motion of Mr. Holt, the Resolutions reported from the Committee were adopted by the House.

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

8. APPROPRIATION BILL (NO. 2) 1960–61.—Mr. Holt (Treasurer) then brought up a Bill intituled “ *A Bill for an Act to grant and apply an additional sum out of the Consolidated Revenue Fund for the service of the year ending on the thirtieth day of June, One thousand nine hundred and sixty-one, and to appropriate that sum* ”.

Bill read a first time.

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

Debate adjourned (Mr. Crean), and the resumption of the debate made an Order of the Day for the next sitting.

9. APPROPRIATION (WORKS AND SERVICES) BILL (NO. 2) 1960–61.—Mr. Holt (Treasurer) also brought up a Bill intituled “ *A Bill for an Act to grant and apply an additional sum out of the Consolidated Revenue Fund for the service of the year ending on the thirtieth day of June, One thousand nine hundred and sixty-one, for the purposes of Additions, New Works and other Services involving Capital Expenditure and to appropriate that sum* ”.

Bill read a first time.

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

Debate adjourned (Mr. Crean), and the resumption of the debate made an Order of the Day for the next sitting.

10. MESSAGES FROM THE ADMINISTRATOR—SUPPLY BILL 1961–62 AND SUPPLY (WORKS AND SERVICES) BILL 1961–62.—Mr. Speaker announced the receipt of the following Messages from His Excellency the Administrator of the Government of the Commonwealth:—

DALLAS BROOKS,  
*Administrator.*

*Message No. 8.*

In accordance with the requirements of section fifty-six of the Constitution of the Commonwealth of Australia, the Administrator of the Government of the Commonwealth recommends to the House of Representatives that an appropriation of revenue be made for the purpose of a Bill for an Act to grant and apply a sum out of the Consolidated Revenue Fund for the service of the year ending the thirtieth day of June, One thousand nine hundred and sixty-two.

Canberra, 27th April, 1961.

DALLAS BROOKS,  
*Administrator.*

*Message No. 9.*

In accordance with the requirements of section fifty-six of the Constitution of the Commonwealth of Australia, the Administrator of the Government of the Commonwealth recommends to the House of Representatives that an appropriation of revenue be made for the purpose of a Bill for an Act to grant and apply a sum out of the Consolidated Revenue Fund for the service of the year ending the thirtieth day of June, One thousand nine hundred and sixty-two for the purposes of Additions, New Works and other Services involving Capital Expenditure.

Canberra, 27th April, 1961.

Ordered—That the Messages be referred to the Committee of Supply forthwith.

11. SUPPLY BILL 1961–62 AND SUPPLY (WORKS AND SERVICES) BILL 1961–62.—The House, according to Order, again resolved itself into the Committee of Supply.

(*In the Committee.*)

SUPPLY.

Mr. Holt (Treasurer) moved, That there be granted to Her Majesty a sum not exceeding £275,970,000 for or towards the services of the year 1961–62.

Question—put and passed.

SUPPLY (WORKS AND SERVICES).

Mr. Holt moved, That there be granted to Her Majesty a sum not exceeding £54,988,000 for or towards the services of the year 1961–62, for Additions, New Works and other Services involving Capital Expenditure.

Question—put and passed.

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

The House resumed; Mr. Lucock reported accordingly.

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

Mr. Holt 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.

On the motion of Mr. Holt, the Resolutions reported from the Committee were adopted by the House.

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12. WAYS AND MEANS—SUPPLY BILL 1961-62 AND SUPPLY (WORKS AND SERVICES) BILL 1961-62.—The House, according to Order, again resolved itself into the Committee of Ways and Means.

(In the Committee.)

Mr. Holt (Treasurer) moved the following two motions:—

SUPPLY.

That, towards making good the Supply granted to Her Majesty for the service of the year 1961-62, there be granted out of the Consolidated Revenue Fund the sum of £275,970,000.

SUPPLY (WORKS AND SERVICES).

That, towards making good the Supply granted to Her Majesty for the service of the year 1961-62, for Additions, New Works and other Services involving Capital Expenditure, there be granted out of the Consolidated Revenue Fund the sum of £54,988,000.

Question—That the motions be agreed to—put and passed.  
Resolutions to be reported, and leave asked to sit again.

The House resumed; Mr. Lucock reported accordingly.

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

On the motion of Mr. Holt, the Resolutions reported from the Committee were adopted by the House.

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

13. SUPPLY BILL 1961-62.—Mr. Holt (Treasurer) then brought up a Bill intituled “ *A Bill for an Act to grant and apply a sum out of the Consolidated Revenue Fund for the service of the year ending the thirtieth day of June, One thousand nine hundred and sixty-two* ”.

Bill read a first time.

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

Debate adjourned (Mr. Crean), and the resumption of the debate made an Order of the Day for the next sitting.

14. SUPPLY (WORKS AND SERVICES) BILL 1961-62.—Mr. Holt (Treasurer) also brought up a Bill intituled “ *A Bill for an Act to grant and apply a sum out of the Consolidated Revenue Fund for the service of the year ending the thirtieth day of June, One thousand nine hundred and sixty-two, for the purposes of Additions, New Works and other Services involving Capital Expenditure* ”.

Bill read a first time.

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

Debate adjourned (Mr. Crean), and the resumption of the debate made an Order of the Day for the next sitting.

15. INCOME TAX AND SOCIAL SERVICES CONTRIBUTION ASSESSMENT BILL 1961.—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 and passed.—Bill read a second time.

The House resolved itself into a Committee of the Whole.

(In the Committee.)

Clauses 1 and 2, by leave, taken together, and agreed to.

Clause 3—

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

Page 3, at the end of the clause, add the following paragraph:—

“(c) securities issued in respect of a loan to a company the principal business of which is the supply and distribution, by a system of reticulation, in Australia or a Territory of the Commonwealth, of water, gas or electricity;”.

Clause, as amended, agreed to.

Clauses 4 to 6, by leave, taken together, and agreed to, after debate.

Clause 7—

On the motion of Mr. Holt, the following amendment was made, after debate:—

Page 11, lines 4-7, omit sub-section (2.) of proposed section 112A, insert the following sub-sections:—

“(2.) In the application of the last preceding sub-section, in relation to the year of income, in relation to a fund maintained by a life assurance company that has made an election that this sub-section shall apply in relation to the company, being an election that has effect in relation to that year of income, the expressions “superannuation policies” and “policies” shall be taken not to include policies that are not Australian policies.

“(3.) The last preceding sub-section does not apply in relation to a fund in relation to which the Commissioner is of opinion that less than one-third of the value of *b*, as ascertained for the purposes of sub-section (1.) of this section in relation to the year of income, is referable to Australian policies.

“(4.) For the purposes of this section, a policy shall be taken to be included in a fund if, in the opinion of the Commissioner, liabilities under that policy would be payable from that fund.’”.

Clause, as amended, agreed to.

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Clause 8 agreed to.

Clause 9—

On the motion of Mr. Holt, the following amendment was made, after debate:—

Page 15, lines 27–33, omit sub-section (3.) of proposed section 115A, insert the following sub-sections:—

“(3.) In any calculation for the purposes of the last preceding section in relation to a year of income in relation to which an election by a company under sub-section (1.) of this section has effect—

- (a) the values of *k*, *l*, *m* and *n* shall, in relation to the company, be ascertained without reference to the cost of any public securities or Commonwealth securities issued in respect of a loan raised outside Australia and the Territories of the Commonwealth; and
- (b) the values of *d*, *e* and *f* shall, in the application of sub-section (1.) of the last preceding

section in relation to the company, be multiplied by  $\frac{a}{b}$ , where—

*a* is so much of the calculated liabilities of the company as, in the opinion of the Commissioner, is referable to Australian policies (other than policies included in a superannuation statutory fund); and

*b* is so much of the calculated liabilities of the company as, in the opinion of the Commissioner, is referable to Australian policies (other than policies included in a superannuation statutory fund) that are not superannuation policies.

“(3A.) For the purposes of the last preceding sub-section, a policy shall be taken to be included in a superannuation statutory fund if, in the opinion of the Commissioner, liabilities under that policy would be payable from that fund.”

Clause, as amended, agreed to.

Clauses 10 to 13, by leave, taken together, and agreed to.

*Proposed new clause—*

Mr. Wentworth moved, That the following new clause be inserted in the Bill:—

“4A. After section eighty-two J of the Principal Act the following section is inserted:—

‘82K.—(1.) This section shall come into operation upon a date to be proclaimed. Tax Concession Bonds.

‘(2.) The Treasurer may cause Tax Concession Bonds to be issued under the authority of this section. Such Bonds—

(a) shall be of the face value of £20; and

(b) shall be deemed to bear interest at a yearly rate fixed by regulation and computed compound for each financial year ended 30th June, no interest being reckoned for any period less than a complete year.

‘(3.) Any Australian citizen (including minors) may purchase Tax Concession Bonds at face value from agents appointed by the Treasurer.

‘(4.) Any Australian citizen may claim as a deduction from his taxable income for any year the face value of up to twenty-five Tax Concession Bonds purchased by him during that year in accordance with this section.

‘(5.) Tax Concession Bonds shall be non-transferable, except that in case of the death, legal incapacity or bankruptcy of the holder they may be transferred to his executor, legal representative or assignee, who shall then be deemed to hold them in trust for him or his estate, and may present them for redemption in accordance with sub-section (7.) of this section, or may, during the lifetime of the original holder, transfer them in accordance with the terms of his trust.

‘(6.) No security given over Tax Concession Bonds shall be enforceable at law.

‘(7.) Any holder of Tax Concession Bonds shall be entitled at one month’s notice to obtain redemption of any or all of them from the agents appointed by the Treasurer at their face value plus any interest computed under this section; provided that, except with the concurrence of the Treasurer, no such Bond shall be redeemable until thirty months have elapsed from its purchase; provided further, however, that Bonds redeemed free of accretion under the next succeeding sub-section may be redeemed after eighteen months have elapsed since their purchase.

‘(8.) The proceeds of any Tax Concession Bond redeemed in accordance with the preceding sub-section shall be deemed to be an accretion to the taxable income of the holder for the year in which such redemption takes place; provided, however, that within twelve months after marriage a holder may obtain redemption of up to seventy-five such Bonds free of accretion, and also that within twelve months after the birth of a child a holder may obtain the redemption of up to fifty such Bonds free of accretion.

‘(9.) Interest deemed to be credited upon Tax Concession Bonds shall not be deemed to be income or property for the purposes of the Social Services Act.

‘(10.) Interest deemed to be credited upon Tax Concession Bonds shall not be deemed to be income for the purposes of this Act, except for the purposes of sub-section eight of this section.

‘(11.) The Governor-General may make regulations for the maintenance of a Register of Tax Concession Bonds, for the issue of certificates of the purchase of such Bonds, for the attachment of such certificates to income tax assessment forms where a deduction is claimed, and for the declaration of redeemed bonds in income tax assessment forms.’”

*Chairman’s Ruling.*—The Chairman (Mr. Lucock) ruled that the proposed new clause was out of order as it proposed to introduce matters outside the scope of the Bill and the Principal Act.

*Proposed new clause—*

Mr. Wentworth moved, That the following new clause be inserted in the Bill:—

“4A. After section eighty-two J of the Principal Act the following section is inserted:—

‘82K.—(1.) This section shall come into operation upon a date to be proclaimed. Tax Concession Bonds.

‘(2.) Any Australian citizen may claim as a deduction from his taxable income for any year the face value of up to £500 of Tax Concession Bonds purchased by him during that year in accordance with any Act providing for the issue of such Bonds.

‘(3.) The proceeds of any Tax Concession Bond which is redeemed shall be deemed to be an accretion to the taxable income of the holder for the year in which such redemption takes place;

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provided, however, that within twelve months after marriage a holder may obtain redemption of Bonds to a value of £1,500 free of accretion, and also that within twelve months after the birth of a child a holder may obtain the redemption of Bonds to a value of £1,000 free of accretion.

'(4.) Interest deemed to be credited upon Tax Concession Bonds shall not be deemed to be income for the purposes of this Act, except for the purposes of sub-section three of this section.'".

Debate ensued.

Proposed new clause negatived.

Title agreed to.

Bill to be reported with amendments.

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The House resumed; Mr. Haworth reported accordingly.

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

16. MESSAGE FROM THE SENATE.—A Message from the Senate was reported returning the following Bill without amendment:—

2nd May, 1961—*Message No. 5*—Northern Territory Supreme Court 1961.

17. ADJOURNMENT.—Mr. Holt (Treasurer) moved, That the House do now adjourn.

Question—put and passed.

And then the House, at sixteen minutes past eleven o'clock p.m., adjourned until to-morrow at half-past two o'clock p.m.

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MEMBERS PRESENT.—All Members were present (at some time during the sitting) except Sir Garfield Barwick, Mr. Bowden, Mr. Browne, Mr. Courtney, Mr. Fairhall\*, Mr. Falkinder, Mr. Jess, Mr. Kearney, Sir Wilfrid Kent Hughes, Mr. Lawson, Mr. Murray, Mr. Riordan, Mr. Sexton, Mr. Snedden and Mr. Wight.

\* On leave.

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N. J. PARKES,

*Acting Clerk of the House of Representatives.*