

## THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

## HOUSE OF REPRESENTATIVES

## VOTES AND PROCEEDINGS

No. 146

THURSDAY, 17 SEPTEMBER 1992

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- 1 The House met, at 9.30 a.m., pursuant to adjournment. The Acting Speaker (Mr R. F. Edwards) took the Chair, and read Prayers.
  - 2 **PETITIONS:** The Clerk announced that the following Members had each lodged petitions for presentation, viz.:
    - Mr Campbell, Ms Fatin, Mrs Gallus, Mr Hawker, Mr Hicks, Mr Miles, Mr Sharp, Mr Taylor, Mr Truss, Mr Webster and Mr H. F. Woods, from 53, 186, 13, 38, 14, 92, 732, 43, 336, 12 and 109 petitioners, respectively, praying that no change be made to the design or colour of the Australian national flag and that it continue to represent a true manifestation of the nation's history.
    - Mr Baldwin, Mrs Darling, Mr R. F. Edwards, Mrs Gallus, Mr MacKellar, Mr Miles, Mr O'Keefe and Mr Prosser, from 39, 34, 78, 123, 22, 94, 192 and 125 concerned parents and consumers, respectively, praying that certain action be taken to ensure that legislation controlling television protects the young and impressionable.
    - Mr Beale, Mr Charles, Mr Connolly, Mr Ford, Mr Hawker and Mr Jull, from 12, 100, 127, 420, 389 and 50 petitioners, respectively, praying that no action be taken to change the national flag unless approved by the people of Australia in a national poll.
    - Mr Hicks, Mr Sinclair and Mr Truss, from 25, 15 and 288 petitioners, respectively, praying that the current national flag be preserved and no change be made to its design unless supported by referendum by the majority of Australians in the majority of States.
    - Mr Braithwaite and Mr Sciacca, from 832 and 5739 residents of Queensland, respectively, praying that importation of goods supported by subsidies and other non-tariff or dumping measures be stopped and that tariffs remain in place while other nations use such measures.
    - Mr O'Keefe and Mr H. F. Woods, from 32 and 105 users of the services of the Australian and Overseas Telecommunications Corporation (AOTC), respectively, praying that existing AOTC residential customer service offices in the city and country be kept open and AOTC be stopped from cutting staff in the residential customer service area.
    - Mr Courtice, from 42 employees of the Australian Government, praying that disallowance of the tax deductability for purchasing and maintaining occupational clothing be withdrawn.
    - Mr Courtice, from 15 members of the Gladstone Employment Lobby Group, Qld, praying that a more realistic rate of tariff reduction be determined.
    - Mr Cowan, from 756 petitioners, praying for a referendum before any change is made to the design of the existing Australian flag.

- Mr Filing, from 1190 petitioners, praying that legislation be changed to make contributions to private health funds deductible against the Medicare levy and the expenditure gap between scheduled and actual fees fully insurable.
- Mr Ford, from 41 residents of Victoria, praying that Medicare funding of abortion be terminated by support for the Abortion Funding Abolition Bill 1990.
- Mr Ford, from 17 residents of Victoria, praying for a referendum to decide whether or not the national flag should be changed.
- Mr Ford, from 11 petitioners, praying that consideration be given to protecting the current rights of independent contractors.
- Mr Grace, from 64 parents of children attending Catholic schools in the Archdiocese of Sydney and in the Divisions of Fowler and Prospect, praying that additional funding be made available to assist in the building needs of Catholic schools in the Archdiocese of Sydney.
- Mr Hall, from 54 electors of the Division of Boothby, praying that the House urge Commonwealth fisheries to bring about an immediate and complete ban on monofilament shark gill nets.
- Mr Hicks, from 114 residents of New South Wales, praying that an inquiry be conducted into injustices towards non-custodial parents.
- Mr Howe, from 16 residents of South Australia, praying that intellectually disabled people be provided with health services and facilities comparable to those available to others.
- Mrs Kelly, from 64 petitioners, praying that the Vietnamese Government be requested to recognise the independence of the United Vietnamese Buddhist Congregation, stop interference and control of religious affairs, release religious leaders and return to Buddhist communities all previously owned Buddhist institutions.
- Mr Lindsay, from 10 petitioners, praying that mining related activities off the east coast of New South Wales and Queensland be prevented until an environmental impact study has been undertaken.
- Ms McHugh, from 19 petitioners, praying that any attempt to restrict access to abortion under Medicare be opposed.
- Mr Mack, from 990 petitioners, praying that certain persons held in Port Hedland, WA, be granted Domestic Protection (Temporary) entry permits.
- Mr McLachlan, from 96 electors of the Division of Barker, praying that the House inquire into the unjust treatment of the unemployed and disadvantaged in country areas resulting from doctors not bulk-billing for medical attention.
- Mr Miles, from 12 988 petitioners, praying that the importation of X-rated videos, films and publications be prohibited and certain other action be taken in relation to that material.
- Mr Miles, from 354 residents of Tasmania, praying that leadership be given in support of the national flag, that changes be opposed and that a referendum be demanded in the event of proposed changes.
- Mr Newell, from 46 petitioners, praying that the Shark Bay region, WA, be declared a national park and nominated for World Heritage listing.
- Mr Newell, from 29 petitioners, praying that action be taken to ensure that the registered publications service is saved.
- Mr Ronaldson, from 181 petitioners, praying that no action be taken to change the national flag unless approved by the people of Australia in a national referendum.
- Mr Sharp, from 17 petitioners, praying that the existing Australian flag be retained and Australians be given the opportunity to express that wish through a referendum.

Mr Webster, from 131 petitioners, praying that the national flag not be changed except by a referendum.

Mr Webster, from 46 petitioners, praying that Australia remain a democratic constitutional monarchy with the Queen as head of state, represented in Australia by a Governor-General.

Mr Webster, from 38 petitioners, praying that the decision to discount by 2 per cent retirement benefits for servicemen be reversed and that reviews of conditions, salary, allowances, entitlements and benefits for servicemen be established.

Mr Webster, from 21 petitioners, praying that funding of abortions through Medicare cease and certain other action be taken to protect the right to life of the unborn.

Petitions received.

- 3 INDUSTRY, SCIENCE AND TECHNOLOGY—STANDING COMMITTEE—REPORT—MOTION TO TAKE NOTE OF PAPER:** The order of the day having been read for the resumption of the debate on the motion of Mr Lee—That the House take note of the paper (*presented on 26 March 1992*), viz.:

Industry, Science and Technology—Standing Committee—Genetic manipulation: The threat or the glory?—Report, incorporating a dissenting report, February 1992—

Debate resumed.

The time allotted for the debate having expired, the debate was interrupted, the resumption of the debate made an order of the day for the next sitting Thursday, and Mr Campbell was granted leave to continue his speech when the debate is resumed.

- 4 TRANSPORT, COMMUNICATIONS AND INFRASTRUCTURE—STANDING COMMITTEE—REPORT—MOTION TO TAKE NOTE OF PAPER:** The order of the day having been read for the resumption of the debate on the motion of Mr P. F. Morris—That the House take note of the paper (*presented on 10 September 1992*), viz.:

Transport, Communications and Infrastructure—Standing Committee—Inquiry into possible uses of the sixth high power television channel—Report, 10 September 1992—

Debate resumed.

The time allotted for the debate having expired, the debate was interrupted, the resumption of the debate made an order of the day for the next sitting Thursday, and Mr Smith was granted leave to continue his speech when the debate is resumed.

- 5 PARLIAMENTARY PRIVILEGES AMENDMENT BILL 1992:** Mr Kerr, pursuant to notice, presented a Bill for an Act to amend the *Parliamentary Privileges Act 1987*.

Mr Kerr made a statement in relation to the Bill.

*Paper:* Mr Kerr presented an explanatory memorandum to the Bill.

Bill read a first time.

Ordered—That the second reading be made an order of the day for the next sitting Thursday, in accordance with sessional order 104A.

- 6 INDUSTRIAL RELATIONS AMENDMENT BILL 1992:** The order of the day having been read for the second reading—

Mr Charles moved—That the Bill be now read a second time.

Debate ensued.

The time allotted for the debate having expired, the debate was interrupted and the resumption of the debate made an order of the day for the next sitting Thursday.

7 **SUGAR INDUSTRY:** Mr Courtice, pursuant to notice, moved—That this House recognises the contribution the sugar industry makes to the economy of Australia.

Debate ensued.

The time allotted for the debate having expired, the debate was interrupted and the resumption of the debate made an order of the day for the next sitting Thursday.

8 **FOREST CONSERVATION AND DEVELOPMENT BILL 1992:** The order of the day having been read for the second reading—

Mr Miles moved—That the Bill be now read a second time.

Debate ensued.

The time allotted for the debate having expired, the debate was interrupted and the resumption of the debate made an order of the day for the next sitting Thursday.

9 **ABORIGINAL AUSTRALIANS:** Mrs Darling, pursuant to notice, moved—That this House:

- (1) deplores the enormous injustice perpetrated on Aboriginal Australians at the time of the European invasion;
- (2) recognises the richness and diversity of traditional Aboriginal culture; and
- (3) determines that all appropriate steps be taken to ensure that Australia finally sheds any and all racist overtones in every sector of our society.

Debate ensued.

It being approximately 12.30 p.m., the debate was interrupted in accordance with sessional order 104A, the resumption of the debate made an order of the day for the next sitting Thursday, and Mr Ronaldson was granted leave to continue his speech when the debate is resumed.

10 **GRIEVANCE DEBATE:** Pursuant to the provisions of sessional order 106, the order of the day having been read—

Question proposed—That grievances be noted.

Debate ensued.

It being 1.45 p.m., the debate was interrupted in accordance with sessional order 106.

Question—That grievances be noted—put and passed.

11 **MEMBERS' STATEMENTS:** Members' statements were made.

12 **PRIVILEGE—COMPLAINT OF BREACH:** Mr Smith raised, as a matter of privilege, an article by Lenore Taylor published in the *Australian* of 17 September 1992 concerning reported statements of the Prime Minister and raised the question of the possible intimidation of the Acting Speaker.

The Acting Speaker stated that he felt completely free in conducting his duties in the Parliament and that credibility should not be given to unsubstantiated press reports.

13 **QUESTIONS:** Questions without notice being asked—

*Member named and suspended:* The Acting Speaker named the Member for O'Connor (Mr Tuckey) for refusing to resume his seat when directed to do so by the Chair.

Mr Beazley (Leader of the House) moved—That the Member for O'Connor be suspended from the service of the House.

Question—put.

The House divided (the Acting Speaker, Mr R. F. Edwards, in the Chair)—

## AYES, 65

Mr Baldwin	Mr Duncan	Mrs Jakobsen	Mr Scholes
Mr Beazley	Mr Elliott	Mr Jenkins	Mr Sciacca
Mr Beddall	Ms Fatin	Mr Keating	Mr J. L. Scott
Mr Bevis	Mr Ferguson	Mrs Kelly	Mr L. J. Scott
Dr Blewett	Mr Fitzgibbon	Mr Kerr	Mr Simmons
Mr Brereton	Mr Free	Mr Lavarch	Mr Snow
Mr R. J. Brown	Mr Gayler	Mr Lee	Mr Snowdon
Mr Campbell	Mr Gear*	Mr Lindsay	Mr Staples
Dr Charlesworth	Mr Gibson	Ms McHugh	Dr Theophanous
Mr Cleary	Mr Gorman	Mr Mack	Mr Tickner
Mr Courtice	Mr Grace*	Mr Martin	Mr Walker
Ms Crawford	Mr Griffiths	Mr Melham	Mr West
Mr Crean	Mr Hand	Mr A. A. Morris	Mr Willis
Mrs Darling	Mr Hollis	Mr Newell	Mr H. F. Woods
Mr Dawkins	Mr Howe	Mr O'Keefe	
Mr Dubois	Mr Hulls	Mr O'Neil	
Mr Duffy	Mr Humphreys	Mr Sawford	

## NOES, 57

Mr Aldred	Mr Downer	Mr Lloyd	Mr Shack
Mr J. N. Andrew*	Dr H. R. Edwards	Mr McArthur	Mr Sharp
Mr K. J. Andrews	Mr Filing	Mr MacKellar	Mr Sinclair
Mrs Bailey	Mr T. A. Fischer	Mr McLachlan	Mr Smith
Mr Beale	Mr P. S. Fisher	Mr Miles	Mr Somlyay
Mr Braithwaite	Mr Ford	Mr Moore	Mr Taylor
Mr Broadbent	Mrs Gallus	Mr Nehl	Mr Truss
Mr Burr	Mr Hall	Mr Nugent	Mr Tuckey
Mr Cadman	Mr Halverson	Mr Prosser	Mr Webster
Mr Carlton	Mr Hawker	Mr Reith	Mr Wilson
Mr Charles	Dr Hewson	Mr Riggall	Dr R. L. Woods
Mr Cobb	Mr Hicks*	Mr Rocher	Dr Wooldridge
Mr Costello	Mr Howard	Mr Ronaldson	
Mr Cowan	Mr Jull	Mr Ruddock	
Mr Dobie	Dr Kemp	Mr B. C. Scott	

\* Tellers

And so it was resolved in the affirmative.

The Member was, therefore, suspended at 2.23 p.m. for 24 hours under standing order 305, and he accordingly withdrew from the Chamber.

Questions without notice continued.

- 14 **NATIONAL DEBT COMMISSION—PAPER—MOTION TO TAKE NOTE OF PAPER:** Mr Beazley (Leader of the House) presented the following paper:  
National Debt Sinking Fund Act—National Debt Commission—69th report, for 1991-92—

and moved—That the House take note of the paper.

Debate adjourned (Mr Smith), and the resumption of the debate made an order of the day for the next sitting.

- 15 **DISCUSSION OF MATTER OF PUBLIC IMPORTANCE—ECONOMIC POLICY:**  
The House was informed that Dr Hewson (Leader of the Opposition) had proposed that a definite matter of public importance be submitted to the House for discussion, namely, “The Government’s failure to provide consistent economic policy prescriptions to address the worst recession in sixty years”.

The proposed discussion having received the necessary support—

Dr Hewson addressed the House.

Discussion ensued.

Discussion concluded.

- 16 **SELECTION COMMITTEE—REPORT:** Mr Halverson (Deputy Chairman) presented the following report:

Selection Committee—Report relating to the program of business prior to 12.30 p.m. on Thursday, 8 October 1992.

17 PUBLICATIONS COMMITTEE—19TH REPORT: Mr Gorman (Chairman) presented the following report:

PUBLICATIONS COMMITTEE 19TH REPORT

The Publications Committee reports that it has met in conference with the Publications Committee of the Senate.

The Committee, having considered petitions and documents presented to the Parliament since 4 June 1992, recommends that the following be printed:

Advance to the Minister for Finance—Statement of Heads of Expenditure and the amounts charged thereto pursuant to section 36A of the *Audit Act 1901*, for the year ended 30 June 1992.

Archives Act—

Advisory Council on Australian Archives—Report for 1991-92.

Australian Archives—Report for 1991-92.

Australian Institute of Health and Welfare Act—Australian Institute of Health and Welfare—Australia's Health 1992—Third biennial report.

Australian National University Act—Australian National University—Report for 1991.

Australian Security Intelligence Organization Act—Security Appeals Tribunal—Report for 1991-92.

Automotive Industry Authority Act—Automotive Industry Authority—Report for 1991-92.

Budget related documents—

Australia's Overseas Aid Program 1992-93.

Medicare—So much stronger now—Health, Housing and Community Services—Budget 1992-93.

Social Justice for Indigenous Australians 1992-93.

Women's Budget Statement 1992-93.

Cash Transaction Reports Act—Cash Transaction Reports Agency—Report for 1991-92.

Governor-General Act—Office of the Official Secretary to the Governor-General—Report for 1991-92.

Human Rights and Equal Opportunity Commission Act—Human Rights and Equal Opportunity Commission—Report on review of permanent exemptions under the *Sex Discrimination Act 1984*.

Industry Commission Act—Industry Commission—Reports—

Intrastate aviation, 17 July 1992 (No. 25).

The Australian Horticultural Corporation—Effectiveness in increasing international competitiveness, 30 June 1992 (No. 24).

Law Reform Commission Act—Law Reform Commission—Report No. 61—Administrative penalties in customs and excise.

Maritime College Act—Australian Maritime College—Report for 1991.

Murray-Darling Basin Act—Murray-Darling Basin Commission—Report for 1990-91.

National Road Trauma Advisory Council—Report for 1991.

Official Establishments Trust—Report for 1991-92.

Public Service Act—

Department of the House of Representatives—Report for 1991-92.

Department of the Prime Minister and Cabinet—Report for 1991-92.

Reserve Bank Act—Report for 1991-92 of the Board of the Reserve Bank of Australia.

Student Assistance Act—Report on the operation of the Act in 1991.

Tobacco Marketing Act—Australian Tobacco Marketing Advisory Committee—Report for 1991.

RUSS GORMAN  
Chairman

17 September 1992

Mr Gorman, by leave, moved—That the report be agreed to.  
Question—put and passed.

- 18 **PUBLIC WORKS—PARLIAMENTARY STANDING COMMITTEE—REFERENCE OF WORK—CONSTRUCTION OF AUSTRALIAN EMBASSY COMPLEX, SUVA, REPUBLIC OF FIJI:** Mr Beddall (Minister representing the Minister for Administrative Services), pursuant to notice, moved—That, in accordance with the provisions of the *Public Works Committee Act 1969*, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Construction of an Australian Embassy complex, Suva, Republic of Fiji.

Mr Beddall presented plans in connection with the proposed work.  
Question—put and passed.

- 19 **PUBLIC WORKS—PARLIAMENTARY STANDING COMMITTEE—REFERENCE OF WORK—YORK PARK OFFICES, BARTON, ACT:** Mr Beddall (Minister representing the Minister for Administrative Services), pursuant to notice, moved—That, in accordance with the provisions of the *Public Works Committee Act 1969*, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: York Park Offices, Barton, ACT.

Mr Beddall presented plans in connection with the proposed work.  
Question—put and passed.

- 20 **REFURBISHMENT OF RESERVE BANK OF AUSTRALIA, PERTH—APPROVAL OF WORK:** Mr Beddall (Minister representing the Minister for Administrative Services), pursuant to notice, moved—That, in accordance with the provisions of the *Public Works Committee Act 1969*, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Refurbishment of the Reserve Bank of Australia, Perth.

Debate ensued.  
Question—put and passed.

- 21 **CHRISTMAS ISLAND REBUILDING PROGRAM—APPROVAL OF WORK:** Mr Beddall (Minister representing the Minister for Administrative Services), pursuant to notice, moved—That, in accordance with the provisions of the *Public Works Committee Act 1969*, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Christmas Island rebuilding program.

Debate ensued.  
Question—put and passed.

- 22 **PUBLIC ACCOUNTS—JOINT COMMITTEE—REPORT—FINANCE MINUTE:** Mr L. J. Scott, by leave, presented the following paper:  
Public Accounts—Joint Committee—Finance minute on Report 313—Control of visitor entry.

- 23 **MESSAGES FROM THE SENATE:** Messages from the Senate, dated 16 September 1992, were reported:

- (a) returning the following Bills without requests:

Message—

No. 516—Sales Tax Imposition (Excise) 1992.

No. 517—Sales Tax Imposition (Customs) 1992.

No. 518—Sales Tax Imposition (General) 1992.

- (b) acquainting the House that the Senate concurs with the resolution of the House contained in message No. 610, relating to amendments to the resolution of appointment of the Joint Select Committee on Certain

Aspects of the Operation and Interpretation of the Family Law Act—  
Message No. 514.

24 MESSAGE FROM THE SENATE—SWIMMING POOLS TAX REFUND BILL 1992:

The following message from the Senate was reported:

Message No. 513

Mr Acting Speaker,

The Senate returns to the House of Representatives the bill for "*An Act relating to refunds of amounts paid as sales tax on certain swimming pools*", and acquaints the House that the Senate has agreed to the bill with the amendments indicated by the annexed schedule, in which amendments the Senate requests the concurrence of the House of Representatives.

MAL COLSTON  
Deputy-President

The Senate,  
Canberra, 16 September 1992

Ordered—That the amendments be taken into consideration, in committee of the whole House, forthwith.

*In the committee*

SCHEDULE OF THE AMENDMENTS MADE BY THE SENATE

No. 1—Clause 3, page 2, after definition of "*in situ pool tax refund payment*", insert the following definitions:

"**pool builder**" means the person to whom an *in situ* pool tax refund payment is liable to be made;

"**pool purchaser**" means a person for whom a swimming pool referred to in the definition of '*in situ pool tax provisions*' was constructed;".

No. 2—Clause 4, page 2, lines 18 to 38, omit the clause, substitute the following clause:

***In situ pool tax refund payments only to be made in certain circumstances***

"4.(1) Except as provided by this section, the Commonwealth is not liable to make any *in situ* pool tax refund payment.

"(2) If, before the commencement of this Act or within 2 years after its commencement, the pool builder in respect of an *in situ* pool tax payment has made a declaration to the Commissioner, in a form approved by the Commissioner for the purpose, of either or both of the following kinds:

- (a) that a specified amount, being the whole or part of the *in situ* pool tax concerned, was not passed on to the pool purchaser in relation to the swimming pool concerned;
- (b) that a specified amount, being the whole or part of any of the *in situ* pool tax concerned that was passed on to the pool purchaser in relation to the swimming pool concerned, has been refunded to the pool purchaser;

then the Commonwealth is only liable to make the *in situ* pool tax refund payment to the pool builder to the extent that it equals the sum of:

- (c) the amount of the tax that was not passed on; and
- (d) the amount of the tax that was refunded.

"(3) If, before the commencement of this Act or within 2 years after its commencement, the pool builder in respect of an *in situ* pool tax refund payment and the pool purchaser in relation to the swimming pool concerned have jointly made a declaration to the Commissioner, in a form approved by the Commissioner for the purpose, that a specified amount, being the whole or part of any of the *in situ* pool tax concerned



that was passed on to the pool purchaser, has not been refunded to the pool purchaser, then subsection (4) applies.

“(4) If a declaration is made under subsection (3), the Commonwealth is liable to make so much of the *in situ* pool tax refund payment as equals the amount of the tax that was passed on to the pool purchaser and not refunded, but is liable to make the payment to the pool purchaser instead of to the pool builder.

“(5) Subject to subsection (6), if a declaration cannot reasonably be made under subsection (3) (because of the non-existence, death, incapacity or refusal of the pool builder, or for any other reason), the Commissioner must allow the pool purchaser, within the same period allowed under subsection (3), to make the declaration, but in a different form approved by the Commissioner for the purpose.

“(6) Before the Commissioner allows the pool purchaser to make the declaration, the Commissioner must make reasonable efforts to contact the pool builder and obtain his or her views on the matter.

“(7) The pool builder or the pool purchaser may apply to the Administrative Appeals Tribunal for review of a decision of the Commissioner to allow, or not allow, the pool purchaser to make the declaration.

“(8) If the pool purchaser makes the declaration, subsection (4) applies as if it were made under subsection (3).

“(9) A person is not entitled to make more than one declaration for the purpose of each of subsections (2), (3) and (5) in respect of the same swimming pool.”.

No. 3—Clause 5, page 2, subclause (1), line 41, after “Commissioner is”, insert “, subject to section 5B,”.

No. 4—Clause 5, page 3, subclauses (2) and (3), lines 1 to 8, omit the subclauses, substitute the following subclauses:

“(2) If the *in situ* pool tax refund payment was made because subsection 4(2) applied:

- (a) the interest on so much of the payment as equals the tax that was not passed on as mentioned in paragraph 4(2)(c) is payable in respect of the period beginning when the *in situ* pool tax payment concerned was made and ending when the *in situ* pool tax refund payment was made; and
- (b) the interest on the rest of the payment is payable in respect of the period beginning when the refund of the tax referred to in paragraph 4(2)(d) was made and ending when the *in situ* pool tax refund payment was made.

“(3) If the *in situ* pool tax refund payment was made because subsection 4(3) or (5) applied, the interest is payable in respect of the period beginning when the *in situ* pool tax payment concerned was made and ending when the *in situ* pool tax refund payment was made.”.

No. 5—After clause 5, page 3, insert the following clauses:

**Payment of interest to pool purchasers on refunds by pool builders**

“5A.(1) If an *in situ* pool tax refund payment is liable to be made in accordance with section 4 in a case where an amount of *in situ* pool tax was refunded as mentioned in paragraph 4(2)(d) to the pool purchaser, the Commissioner is, subject to section 5B, liable to pay interest to the pool purchaser on the amount refunded in accordance with this section.

“(2) The interest is payable in respect of the period beginning when the *in situ* pool tax payment concerned was made and ending when the amount was refunded.

“(3) The interest is payable at the same rate per annum as is applicable to interest in respect of the period under the *Taxation (Interest on Overpayments) Act 1983*.

“(4) If the interest is not a multiple of one cent, it is to be rounded up or down to the nearest multiple of one cent (amounts ending in 0.5 cent being rounded up).

**\$100 of pool purchaser's interest payable by way of compensation to pool builder**

“5B. If, apart from this section, the Commissioner becomes liable to pay interest under section 5 (because subsection 4(3), but not 4(5), applies) or 5A, or both, to a pool purchaser, the Commissioner is liable to pay to the pool builder concerned (instead of to the pool purchaser):

(a) if the total amount of interest that the Commissioner becomes liable to pay under those sections is less than or equal to \$100—  
all of the interest; or

(b) in any other case—\$100 of the interest.”.

No. 6—Clause 7, page 3, paragraph (1)(b), line 25, after “section 5”, insert “, 5A or 5B”.

On the motion of Mr Dawkins (Treasurer), the amendments were agreed to, after debate.

Resolution to be reported.

The House resumed; Mr Dubois reported accordingly.

On the motion of Mr Martin (Parliamentary Secretary to the Minister for Foreign Affairs and Trade), the House adopted the report.

- 25 **APPROPRIATION BILL (NO. 1) 1992-93—BUDGET DEBATE:** 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.

Debate adjourned (Mr Campbell), and the resumption of the debate made an order of the day for a later hour this day.

- 26 **MESSAGE FROM THE SENATE—SALES TAX ASSESSMENT BILL 1992:** The following message from the Senate was reported:

Message No. 515

Mr Acting Speaker,

The Senate returns to the House of Representatives the bill for “*An Act relating to the imposition and collection of a tax on dealings with goods that have been manufactured in Australia or imported into Australia, and for related purposes*”, and acquaints the House that the Senate has agreed to the bill with the amendments indicated by the annexed schedule, in which amendments the Senate requests the concurrence of the House of Representatives.

MAL COLSTON  
Deputy-President

The Senate,  
Canberra, 16 September 1992

Ordered—That the amendments be taken into consideration, in committee of the whole House, forthwith.

*In the committee*

**SCHEDULE OF THE AMENDMENTS MADE BY THE SENATE**

No. 1—List of terms defined by section 5, page vii, insert the following terms in alphabetical order:

“permanent media”

“temporary media”.

No. 2—Clause 5, page 3, definition of “assessment”, line 17, omit “92”, substitute “93A”.

No. 3—Clause 5, page 4, definition of “**eligible long-term lease**”, paragraph (b), lines 31 to 35, omit the paragraph, substitute the following paragraph:

“(b) at or before the time of the grant of the lease, the lessor has been given evidence, in a form approved by the Commissioner, of the intention of the lessee or a sub-lessee to use the goods, during the whole of the statutory period, so as to satisfy an exemption Item;”.

No. 4—Clause 5, page 4, after definition of “**eligible long-term lease**”, insert the following definition:

“**‘eligible short-term lease’** has the meaning given by section 15A;”.

No. 5—Clause 5, page 6, after definition of “**passed on**”, insert the following definition:

“**‘permanent media’** means goods designed to have computer programs embodied in them on a permanent basis being goods which do not allow the erasement and replacement of the computer programs originally embodied in them;”.

No. 6—Clause 5, page 8, after definition of “**taxpayer**”, insert the following definition:

“**‘temporary media’** means goods designed to have computer programs embodied in them on a temporary basis being goods which allow computer programs to be embodied, erased and replaced from time to time;”.

No. 7—Clause 14, page 11, subclause (1), line 33, omit “a microchip”, substitute “permanent media”.

No. 8—After clause 15, page 12, insert the following clauses:

**Meaning of “eligible short-term lease” etc.**

“**15A.(1)** A lease of goods is an eligible short-term lease if the goods are covered by an agreement under subsection (2).

“(2) The Commissioner and a person (**‘the lessor’**) who grants leases of goods in the course of a business may agree on a percentage (other than nil) as the exempt percentage in relation to goods of a particular kind. The percentage agreed on must be the percentage of the statutory period during which it is agreed to be likely that the goods will be used by the lessor for lease (other than eligible long-term lease) to persons who, or whose sub-lessees, intend to use the goods during the whole of the term of the lease or sub-lease so as to satisfy one or more exemption Items.

“(3) The Commissioner and the lessor may agree on a percentage (other than nil) as the exempt percentage in relation to goods (**‘the associated goods’**) of a particular kind that are for use by the lessor exclusively:

- (a) as parts, accessories, fittings or attachments for goods that are covered by an agreement with the lessor under subsection (2); or
- (b) so as to become an integral part of goods that are covered by such an agreement.

The percentage agreed on must be the percentage of the statutory period during which it is agreed to be likely that the use of the associated goods as mentioned in paragraph (a) or (b) will satisfy one or more exemption Items.

“(4) The Commissioner and the lessor may, subject to subsection (5), agree on a percentage as the exempt percentage in relation to goods of a particular kind that are for use by the lessor exclusively for repairing or maintaining other goods that are:

- (a) covered by an agreement with the lessor under subsection (2); and
- (b) for use so as to satisfy one or more of exemption Items 1, 2, 18, 23, 28, 29, 30, 33, 34, 35, 36 and 38.

The percentage agreed on must be the percentage of the statutory period during which it is agreed to be likely that the other goods will satisfy the requirements of paragraphs (a) and (b).

“(5) The Commissioner and the lessor must not make an agreement under subsection (4) unless the percentage to be specified is greater than 50%.

“(6) An agreement under this section may include conditions that are to be complied with for the agreement to have effect.

**Post-trial sale or post-trial lease**

“15B. If:

- (a) a person grants a lease (**‘the trial-lease’**), or makes a loan, of assessable goods to another person (**‘the trial user’**); and
- (b) immediately after the end of the trial-lease or the loan, the person sells the goods, or leases them for at least the remainder of the statutory period, to the trial user; and
- (c) the trial user, at or before the end of the trial-lease or the loan, gives evidence to the person, in a form approved by the Commissioner, of the trial user’s use or intended use of the goods during the trial-lease or the loan and the remainder of the statutory period so as to satisfy an exemption Item;

then the sale or the second lease in paragraph (b) is a post-trial sale or post-trial lease, as the case may be.”.

No. 9—Clause 19, pages 13 and 14, line 35 (page 13) to line 31 (page 14), omit the clause, substitute the following clause:

**Royalty-inclusive sale (AD2c and AD12c) or AOU (AD3d and AD13d)**

“19.(1) A retail sale, or an AOU, of goods (**‘the current goods’**) by a taxpayer in the course of a business is a royalty-inclusive sale or a royalty-inclusive AOU respectively if the following conditions are met:

- (a) eligible royalty costs have been incurred at or before the time of the sale or AOU, or could reasonably be expected to be incurred after the time of the sale or AOU, by any or all of the following persons:
  - (i) the taxpayer;
  - (ii) any associate of the taxpayer;
  - (iii) any person (other than the manufacturer) under an arrangement with the taxpayer or with an associate of the taxpayer;
- (b) the sale or AOU is not covered by another category of assessable dealing in Table 1.

“(2) In this section:

**‘eligible royalty cost’** means a royalty, within the meaning of section 36, that is paid or payable in connection with the current goods, except where the amount was paid or payable by any person before 27 May 1992.”.

No. 10—Clause 21, page 15, paragraph (3)(b), line 15, after “section 24”, insert “or 29”.

No. 11—Clause 26, page 16, lines 29 to 31, omit the clause, substitute the following clause:

**Exemption for lease AOU if lease is an eligible long-term lease or an eligible short-term lease**

“26. A lease AOU is not taxable if:

- (a) the lease is an eligible long-term lease; or
- (b) the lease is an eligible short-term lease and the exempt percentage specified in the agreement under subsection 15A(2) is 100%.”.

No. 12—After clause 50, page 25, insert the following clause:

**Agreements relating to eligible short-term leases**

“50A.(1) If:

- (a) the dealing is the granting of an eligible short-term lease of the goods; and

(b) the exempt percentage specified in the agreement under subsection 15A(2) is less than 100%;  
then the exempt part is the taxable value multiplied by the exempt percentage.

“(2) If:

- (a) the goods that are the subject of the taxable dealing are covered by an agreement under subsection 15A(3) or (4), and are for use exclusively as mentioned in that subsection; and
- (b) the exempt percentage specified in the agreement is less than 100%;  
then the exempt part is the taxable value multiplied by the exempt percentage.”.

No. 13—Clause 82, page 38, paragraph (1)(g), line 12, omit the paragraph, substitute the following paragraphs:

- “(g) granting an eligible long-term lease, an eligible short-term lease or a lease that will be exempted by section 32;
- (h) using the goods exclusively as mentioned in subsection 15A(3) or (4), while the goods are covered by an agreement under that subsection.”.

No. 14—Clause 83, page 39, paragraph (1)(c), line 10, omit the paragraph, substitute the following paragraphs:

- “(c) granting an eligible long-term lease, an eligible short-term lease or a lease that will be exempted by section 32;
- (ca) using the goods exclusively as mentioned in subsection 15A(3) or (4), while the goods are covered by an agreement under that subsection;”.

No. 15—Clauses 92 and 93, pages 41 and 42, line 20 (page 41) to line 41 (page 42), omit the clauses, substitute the following clauses:

**Division allows cancellation of tax benefits under avoidance schemes**

“92.(1) This Division allows the Commissioner to cancel tax benefits obtained under schemes to which the Division applies.

“(2) Section 93 explains what it means to obtain a tax benefit under a scheme to which this Division applies.

“(3) Section 93A sets out the way in which the Commissioner may cancel a tax benefit.

**Obtaining a tax benefit under a scheme to which this Division applies**

“93.(1) A taxpayer obtains a tax benefit under a scheme to which this Division applies that has been entered into or carried out by a person or persons (whether or not the taxpayer) if:

- (a) the taxpayer has obtained a tax benefit that:
  - (i) the taxpayer would not have obtained if the scheme had not been entered into or carried out; or
  - (ii) the taxpayer could reasonably be expected not to have obtained if the scheme had not been entered into or carried out (taking into account, among other relevant matters, any things that did not actually happen but could reasonably be expected to have happened if the scheme had not been entered into or carried out); and
- (b) having regard to the matters set out in subsection (2), it would be concluded that the scheme was entered into, or carried out, by all or any of the parties for the purpose or dominant purpose of obtaining a tax benefit for any person (whether or not that person is the taxpayer and whether or not that person is one of the parties).

“(2) For the purposes of paragraph (1)(b), the matters to have regard to are:

- (a) the manner in which the scheme was entered into or carried out;
- (b) the form and substance of the scheme;

- (c) the time at which the scheme was entered into and the length of the period during which the scheme was carried out;
- (d) the result in relation to the operation of the sales tax law that, but for this Division, would be achieved by the scheme;
- (e) any change in the financial position of the taxpayer that has resulted, or may reasonably be expected to result, from the scheme;
- (f) any change in the financial position of any person who has, or has had, any connection (whether of a business, family or other nature) with the taxpayer, being a change that has resulted, will result or may reasonably be expected to result, from the scheme;
- (g) any other consequence for the taxpayer, or for any person referred to in paragraph (f), of the scheme having been entered into or carried out;
- (h) the nature of any connection (whether of a business, family or other nature) between the taxpayer and any person referred to in paragraph (f);

but the matters do not include the actual purpose for which any person entered into or carried out the scheme.

“(3) This Division applies to:

- (a) a scheme that was entered into after 26 May 1992; or
- (b) a scheme that began to be carried out after 26 May 1992 (not including a scheme that was entered into on or before 26 May 1992).

“(4) In this section:

‘**carrying out**’ includes carrying out together with one or more other persons;

‘**dominant purpose**’, in relation to several purposes, means a purpose that is dominant when compared to all the remaining purposes taken together;

‘**scheme**’ includes:

- (a) an arrangement that is not legally enforceable;
- (b) a course of conduct;
- (c) a unilateral scheme or course of conduct;

‘**tax benefit**’ means:

- (a) any reduction in liability to tax; or
- (b) any increase in an entitlement to a credit.

**Commissioner may cancel tax benefits obtained under schemes to which this Division applies**

“93A.(1) If a taxpayer obtains a tax benefit under a scheme to which this Division applies, the Commissioner may make an assessment that cancels the tax benefit.

“(2) The Commissioner may, in the assessment, do all or any of the following:

- (a) determine, for the purpose of cancelling the tax benefit, that particular things are to be treated as not having happened;
- (b) determine, for the purpose of cancelling the tax benefit, that particular things are to be treated as having been done by a different person or to have happened at a different time;
- (c) determine, for the purpose of cancelling the tax benefit, that particular things that did not actually happen are to be treated as having happened and, where appropriate:
  - (i) to have been done by a particular person; or
  - (ii) to have happened at a particular time.

“(3) An amount that is payable by a taxpayer because of the cancellation of an entitlement to a credit is to be treated as if it were an amount of tax payable by the taxpayer.

[The main effect of treating the amount as if it were tax is to apply the collection and recovery rules in Part 5.]

“(4) Notice of the assessment may be included in any other notice of assessment under this Act that relates to the same person.

“(5) An amount payable under an assessment that is made under this section becomes due for payment on the day specified in the notice of assessment. The day must be at least 14 days after the date of issue of the assessment.”.

No. 16—Clause 98, page 44, line 27, omit “92”, substitute “93A”.

No. 17—Clause 101, page 45, subclause (2), line 14, omit “92”, substitute “93A”.

No. 18—Clause 103, page 45, subclause (2), line 34, omit “92”, substitute “93A”.

No. 19—Schedule 1, Table 1, page 58, AD2c, column [2], omit “external costs”, substitute “royalty-inclusive”.

No. 20—Schedule 1, Table 1, page 58, AD2c, column [5], omit “the notional wholesale selling price”, substitute “the amount that would be the notional wholesale purchase price of the goods if the manufacturer had incurred the eligible royalty costs mentioned in section 19”.

No. 21—Schedule 1, Table 1, page 59, AD3d, column [2], omit “external costs”, substitute “royalty-inclusive”.

No. 22—Schedule 1, Table 1, page 59, AD3d, column [5], omit “the notional wholesale selling price”, substitute “the amount that would be the notional wholesale purchase price of the goods if the manufacturer had incurred the eligible royalty costs mentioned in section 19”.

No. 23—Schedule 1, Table 1, page 60, AD12c, column [2], omit “external costs”, substitute “royalty-inclusive”.

No. 24—Schedule 1, Table 1, page 60, AD12c, column [5], omit “the notional wholesale selling price”, substitute “the amount that would be the notional wholesale purchase price of the goods if the person who imported the goods had incurred the eligible royalty costs mentioned in section 19”.

No. 25—Schedule 1, Table 1, page 60, AD13d, column [2], omit “external costs”, substitute “royalty-inclusive”.

No. 26—Schedule 1, Table 1, page 60, AD13d, column [5], omit “the notional wholesale selling price”, substitute “the amount that would be the notional wholesale purchase price of the goods if the person who imported the goods had incurred the eligible royalty costs mentioned in section 19”.

No. 27—Schedule 1, Table 3, page 65, after CR5, insert the following credit ground:

“

<b>CR5A</b>	AOU in certain cases where exemption Items satisfied	Claimant has borne tax on goods and has applied the goods to own use while still assessable goods. The AOU satisfies exemption Item 192, 193 or 194.	the tax previously borne to the extent that the claimant has not passed it on	time of AOU
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”.

No. 28—Schedule 1, Table 3, page 67, after CR18, insert the following credit grounds:

“ <b>CR18A</b>	First lease is an eligible short-term lease and claimant has previously borne tax	First AOU in Australia of goods consisted of the claimant granting an eligible short-term lease of the goods. The claimant has borne tax on the goods before the time of granting the lease.	the tax previously borne multiplied by the exempt percentage specified in the agreement under subsection 15A(2)	time of granting lease
<b>CR18B</b>	Post-trial sale or post-trial lease	Post-trial sale or post-trial lease, within the meaning of section 15B, by the claimant. The claimant has borne tax on the goods before the time of the sale or granting of the lease.	the tax borne, to the extent that the claimant has not passed it on	time of sale or granting lease

On the motion of Ms Fatin (Minister for the Arts and Territories), the amendments were agreed to, after debate.  
Resolution to be reported.

The House resumed; Mr L. J. Scott reported accordingly.

On the motion of Mr R. J. Brown (Minister for Land Transport), the House adopted the report.

27 MESSAGE FROM THE SENATE—SALES TAX AMENDMENT (TRANSITIONAL) BILL 1992: The following message from the Senate was reported:

Message No. 519

Mr Acting Speaker,

The Senate returns to the House of Representatives the bill for “*An Act to terminate the operation of the old sales tax law, to make amendments that are consequential on the new sales tax law, and for related purposes*”, and acquaints the House that the Senate has agreed to the bill with the amendments indicated by the annexed schedule, in which amendments the Senate requests the concurrence of the House of Representatives.

MAL COLSTON  
Deputy-President

The Senate,  
Canberra, 16 September 1992



Ordered—That the amendments be taken into consideration, in committee of the whole House, forthwith.

In the committee

SCHEDULE OF THE AMENDMENTS MADE BY THE SENATE

No. 1—Clause 5, page 2, at end of clause, add the following subclause:

“(2) If an amount of tax was or is payable in relation to goods under the *Sales Tax Assessment Act (No. 10) 1985*, then no liability to tax on those goods arises under AD2c, AD3d, AD12c or AD13d in Table 1 in Schedule 1 to the new Assessment Act.”.

No. 2—After clause 14, page 5, insert the following clause:

**Avoidance schemes**

“14A. In spite of subsection 93(3) of the new Assessment Act, a scheme that was entered into, or that began to be carried out, at any time is a scheme to which Division 1 of Part 8 of that Act applies if:

- (a) the scheme, or a part of it, has been, or may be, taken into account by the Commissioner in applying subsection 18(4) of the *Sales Tax Assessment Act (No. 1) 1930* or any corresponding provision of the old law; or
- (b) section 18A of that Act, or any corresponding provision of the old law, applied to the scheme or any part of it.”.

On the motion of Mr R. J. Brown (Minister for Land Transport), the amendments were agreed, after debate.

Resolution to be reported.

The House resumed; Mr L. J. Scott reported accordingly.

On the motion of Mr R. J. Brown, the House adopted the report.

28 MESSAGE FROM THE SENATE—SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) BILL 1992: The following message from the Senate was reported:

Message No. 520

Mr Acting Speaker,

The Senate returns to the House of Representatives the bill for “*An Act relating to exemptions from sales tax and the classification of goods for the purpose of applying different rates of sales tax*”, and acquaints the House that the Senate has agreed to the bill with the amendments indicated by the annexed schedule, in which amendments the Senate requests the concurrence of the House of Representatives.

MAL COLSTON  
Deputy-President

The Senate,  
Canberra, 16 September 1992

Ordered—That the amendments be taken into consideration, in committee of the whole House, forthwith.

In the committee

SCHEDULE OF THE AMENDMENTS MADE BY THE SENATE

No. 1—Clause 3, page 2, subclause (2), after definition of “**agriculture**”, insert the following definition:

“**‘always-exempt person’** means a person whose use of goods of whatever kind is always covered by an exemption Item, regardless of the way in which the goods are used by the person;”.

No. 2—Clause 3, page 3, subclause (2), after definition of “**general-purpose road vehicle**”, insert the following definition:

“**‘group company’** has the meaning given by section 3A;”.

No. 3—Clause 3, page 4, subclause (2), definition of “**qualifying goods**”, after paragraph (a), insert the following paragraphs:

“(aa) wholesaler’s-materials goods in relation to the exemption user;

(ab) materials to be supplied by the exemption user, or by someone else at the request of the exemption user, wholly or partly out of which wholesaler’s-materials goods in relation to the exemption user are to be manufactured;”.

No. 4—Clause 3, page 4, subclause (2), definition of “**qualifying goods**”, after paragraph (a), insert the following paragraph:

“(ac) goods covered by exemption Item 55, if:

(i) the goods are manufactured by a company that is a group company in relation to the exemption user; and

(ii) the goods are likely, at the time of delivery by the group company, to be sold mainly by wholesale sale, or indirect marketing sale, by the exemption user;”.

No. 5—Clause 3, page 4, at end of subclause (2), add the following definition:

“**‘wholesaler’s-materials goods’**, in relation to a person (**‘the exemption user’**), means goods where:

(a) the goods are manufactured for the exemption user by another person in the course of a business; and

(b) the manufacture is wholly or partly out of materials (including exposed photographic film or cinematograph film that is to be processed or treated so as to produce a negative, transparency or film strip) supplied by the exemption user or by another person at the request of the exemption user; and

(c) the materials were not supplied to the exemption user or other person by the manufacturer or an associate of the manufacturer; and

(d) the goods, together with all others manufactured as mentioned in paragraph (a) wholly or partly out of the materials, are likely, at the time of delivery by the manufacturer, to be sold mainly by wholesale sale, or indirect marketing sale, by the exemption user.”.

No. 6—After clause 3, page 4, insert the following clause:

**Meaning of “group company”**

“3A.(1) A company is a group company in relation to another company if:

(a) one of the companies is a subsidiary of the other company; or

(b) each of the companies is a subsidiary of the same company.

“(2) A company (**‘the subsidiary company’**) is a subsidiary of another company (**‘the holding company’**) if all the shares in the subsidiary company are beneficially owned by:

(a) the holding company; or

(b) a company that is, or 2 or more companies each of which is, a subsidiary of the holding company; or

(c) the holding company and a company that is, or 2 or more companies each of which is, a subsidiary of the holding company.

“(3) If a company is a subsidiary of another company (including because of this subsection), every company that is a subsidiary of the first-mentioned company is a subsidiary of the other company.”.

No. 7—Clause 4, page 5, paragraph (2)(c), line 17, after “lessee”, insert “or a sub-lessee”.

No. 8—Clause 4, page 5, after note following paragraph (2)(c), insert the following paragraph and note:

“(ca) a lease AOU may not be taxable if the lease is an eligible short-term lease because of an agreement with the Commissioner (the intention of lessees or sub-lessees to satisfy the requirements of exemption Items is relevant to deciding whether the agreement can be entered into);

[For details, see sections 15A and 26 of the Assessment Act.]”.

No. 9—Clause 4, page 5, at end of subclause (2), add the following paragraph and note:

“(f) credit entitlements are sometimes available for leases that are eligible short-term leases because of an agreement with the Commissioner (the intention of lessees or sub-lessees to satisfy the requirements of exemption Items is relevant to deciding whether the agreement can be entered into).

[For details, see credit ground CR18A in Table 3 in Schedule 1 to the Assessment Act.]”.

No. 10—Clause 5, page 6, table following subclause (1), after item “Exemption for grant of eligible long-term lease”, insert the following item:

“	Exemption for grant of eligible short-term lease	[Use requirement not applicable]	Time when lease granted	”.
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No. 11—Clause 5, page 6, at end of table following subclause (1), add the following item:

“	Credit entitlement for eligible short-term lease	[Use requirement not applicable]	Time when lease granted	”.
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No. 12—Clause 5, page 6, after subclause (2), insert the following subclauses:

“(2A) If an exemption Item applies to goods because the exemption user is an always-exempt person, the exemption Item extends to goods for use by the always-exempt person for donation to another person or as a prize or award.

“(2B) If an exemption Item applies to goods because the exemption user is the government of a foreign country, the exemption Item extends to goods for use by that government, for donation to another person or as a prize or award, other than by:

- (a) the country’s diplomatic mission in Australia; or
- (b) a consular post in Australia of the country; or
- (c) a Trade Commissioner in Australia of the country.”.

No. 13—Clause 10, page 7, subclause (1), after subparagraph (b)(ii), insert the following subparagraph:

“(iia) materials wholly or partly out of which wholesaler’s-materials goods in relation to the exemption user are to be manufactured;”.

No. 14—Schedule 1, page 25, subitem 18(5), definition of “**manufacture-related activity**”, paragraphs (c) and (d), omit the paragraphs, substitute the following paragraphs:

“(c) applying a process or treatment to goods for the purpose of bringing them into, or keeping them in, the form or condition in which they are to be marketed or used by a person:

- (i) who is the manufacturer of the goods; or
- (ii) in relation to whom the goods are wholesaler’s-materials goods;

whether or not the person is the exemption user;

[For example, applying a coating of grease to manufactured hand tools to prevent corrosion]

- (d) packaging or labelling goods that are:
- (i) manufactured by the exemption user; or
  - (ii) wholesaler's-materials goods in relation to the exemption-user;
- or labelling receptacles for such goods, except if the packaging or labelling is carried out mainly for purposes connected with the delivery of the goods;”.

No. 15—Schedule 1, page 25, subitem 18(5), definition of “**manufacture-related activity**”, after subparagraph (e)(i), insert the following subparagraph:

“(ia) are wholesaler's-materials goods in relation to the exemption user; or”.

No. 16—Schedule 1, page 25, subitem 18(5), definition of “**manufacture-related activity**”, after subparagraph (g)(i), insert the following subparagraph:

“(ia) the storage or marketing of goods that are wholesaler's-materials goods in relation to the exemption user; or”.

No. 17—Schedule 1, page 25, subitem 18(5), definition of “**manufacture-related activity**”, after paragraph (h), insert the following paragraph:

“(ha) supplying materials, wholly or partly out of which wholesaler's-materials goods in relation to the exemption user are to be manufactured;”.

No. 18—Schedule 1, page 27, subitem 23(1), paragraph (b), after “user”, insert “or that is wholesaler's-materials goods in relation to the exemption user”.

No. 19—Schedule 1, page 32, Item 31, omit the Item.

No. 20—Schedule 1, page 43, after Item 57, insert the following Item:

“**Item 57A: [Goods for purifying or compressing natural gas]**

Machinery, implements or apparatus for use by a person exclusively in the purification or compression of natural gas for use by any person as fuel for internal combustion engines.

[Parts]”.

No. 21—Schedule 1, page 72, at end of Schedule, add the following Items:

“**Item 192: [Construction, repair etc. of property owned or leased by always-exempt persons or foreign governments]**

(1) Goods for use by a person so that the goods become an integral part of property (not being goods) where:

- (a) the use is under a contract with an always-exempt person or with the government of a foreign country, or under a sub-contract under such a contract; and
- (b) either:

- (i) the property is owned by or leased to the always-exempt person or the government of the foreign country; or

- (ii) the use is in the construction, improvement, or other preparation, of the property for ownership by the always-exempt person or the government of the foreign country.

(2) Goods for use by a person so that the goods become an integral part of property (not being goods) where:

- (a) the property is leased to an always-exempt person or the government of a foreign country; and

- (b) the use of the goods by the person is under a contract with the lessor, or under a sub-contract under such a contract; and

- (c) the lessor entered into the contract for the purpose of complying with the requirements of the lease.

(3) This Item does not apply if the property is or will be used by:

- (a) the foreign country's diplomatic mission in Australia; or

- (b) a consular post in Australia of the foreign country; or
- (c) a Trade Commissioner in Australia of the foreign country.

**Item 193: [Goods for donation or loan to an always-exempt person or a foreign government]**

**(1) Goods for use by a person:**

- (a) for donation to an always-exempt person or the government of a foreign country; or
- (b) for lending free of charge to an always-exempt person, or to the government of a foreign country, for the whole of the statutory period.

**(2) Subitem (1) does not apply:**

- (a) in any case—unless the goods will be assessable goods when donated or lent; and
- (b) in the case of a donation or loan to the government of a foreign country—if the goods will be used by:
  - (i) the country's diplomatic mission in Australia; or
  - (ii) a consular post in Australia of the country; or
  - (iii) a Trade Commissioner in Australia of the country.

**Item 194: [Goods for supply to a person for use in exempt circumstances]**

Goods for use by a person for supply to another person under a contract (other than a contract of sale) if:

- (a) property in the goods is to pass to the other person under the contract; and
- (b) the other person would have been entitled to quote for the purchase in reliance on an exemption Item, if the other person had purchased the goods.

**Item 195: [Parts, repair equipment etc. for use in relation to certain leases]**

**(1) Goods that are covered by an agreement under subsection 15A(3) or (4) of the Assessment Act, where:**

- (a) they are for use exclusively as mentioned in that subsection; and
- (b) the exempt percentage specified in the agreement is 100%.

**(2) Goods ('the associated goods') where all the following conditions are met:**

- (a) there is an eligible long-term lease of other goods;
- (b) the associated goods are for use by the lessor exclusively:
  - (i) as parts, accessories, fittings or attachments for the other goods; or
  - (ii) so as to become an integral part of the other goods;
- (c) if that use were instead by the lessee or the sub-lessee mentioned in paragraph (b) of the definition of 'eligible long-term lease' in section 5 of the Assessment Act, it would satisfy the exemption Item mentioned in that paragraph.

**(3) Goods ('the repair equipment') where all the following conditions are met:**

- (a) there is an eligible long-term lease of other goods;
- (b) the repair equipment is for use by the lessor exclusively as equipment for repairing or maintaining the other goods;
- (c) if that use were instead by the lessee or the sub-lessee mentioned in paragraph (b) of the definition of 'eligible long-term lease' in section 5 of the Assessment Act, it would satisfy one or more of exemption Items 1, 2, 18, 23, 28, 29, 30, 33, 34, 35, 36 and 38."

Mr R. J. Brown (Minister for Land Transport) moved—That the amendments be agreed to.

Debate ensued.

Question—put.

The committee divided (the Deputy Chairman, Mr L. J. Scott, in the Chair)—

## AYES, 59

Mr Baldwin	Mr Dubois	Mr Hulls	Mr O'Keefe
Mr Beazley	Mr Duffy	Mr Humphreys	Mr Sawford*
Mr Beddall	Mr Duncan	Mrs Jakobsen	Mr Scholes
Mr Bevis	Mr Elliott	Mr Jenkins	Mr Sciacca
Dr Blewett	Ms Fatin	Mrs Kelly	Mr J. L. Scott
Mr Brereton	Mr Ferguson	Mr Kerr	Mr Simmons
Mr R. J. Brown	Mr Fitzgibbon	Mr Lavarch	Mr Snow
Mr Campbell	Mr Free	Mr Lee	Mr Snowdon
Dr Charlesworth	Mr Gayler	Mr Lindsay	Mr Staples
Mr Cleary	Mr Gibson	Ms McHugh	Dr Theophanous
Mr Courtice	Mr Grace*	Mr Mack	Mr Tickner
Ms Crawford	Mr Griffiths	Mr Martin	Mr Walker
Mr Crean	Mr Hand	Mr Melham	Mr Willis
Mr Darling	Mr Hollis	Mr A. A. Morris	Mr H. F. Woods
Mr Dawkins	Mr Howe	Mr Newell	

## NOES, 49

Mr Aldred	Dr H. R. Edwards	Dr Kemp	Mr B. C. Scott
Mr J. N. Andrew*	Mr Fife	Mr Lloyd	Mr Sharp
Mr K. J. Andrews	Mr Filing	Mr McArthur	Mr Sinclair
Mr Beale	Mr T. A. Fischer	Mr MacKellar	Mr Smith
Mr Braithwaite	Mr P. S. Fisher	Mr McLachlan	Mr Somlyay
Mr Broadbent	Mr Ford	Mr Miles	Mr Taylor
Mr Carlton	Mrs Gallus	Mr Nehl	Mr Truss
Mr Chaney	Mr Hall	Mr Nugent	Mr Webster
Mr Charles	Mr Halverson	Mr Reith	Mr Wilson
Mr Cobb	Mr Hawker	Mr Riggall	Dr Wooldridge
Mr Cowan	Mr Hicks*	Mr Rocher	
Mr Dobie	Mr Howard	Mr Ronaldson	
Mr Downer	Mr Jull	Mr Ruddock	

\* Tellers

And so it was resolved in the affirmative.  
Resolution to be reported.

The House resumed; Mr L. J. Scott reported accordingly.  
On the motion of Mr R. J. Brown, the House adopted the report.

- 29 **APPROPRIATION BILL (NO. 1) 1992-93—BUDGET DEBATE:** 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.

The House continuing to sit until after midnight—

## FRIDAY, 18 SEPTEMBER 1992

Debate continued.

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

*Message from the Governor-General:* Message No. 314, dated 17 September 1992, from His Excellency the Governor-General was announced recommending an appropriation of revenue for the purposes of certain amendments to be moved by a Minister to the Bill.

The House resolved itself into a committee of the whole.

*In the committee*

Schedule 3—

Ordered—That the proposed expenditures for the purposes and services in the Schedule be considered in the following order, either separately or together, as shown:

Department of the Prime Minister and Cabinet	} together
Department of Finance	
Department of the Treasury	
Advance to the Minister for Finance	
Attorney-General's Department	
Department of Transport and Communications	
Department of Employment, Education and Training	
Department of Defence	
Department of Primary Industries and Energy	} together
Department of Tourism	
Department of Social Security	
Department of Administrative Services	
Department of Health, Housing and Community Services	} together
Department of Veterans' Affairs	
Department of Foreign Affairs and Trade	
Department of Industry, Technology and Commerce	} together
Department of Industrial Relations	
Department of the Arts, Sport, the Environment and Territories	
Department of Immigration, Local Government and Ethnic Affairs	
Proposed expenditures—	
Department of the Prime Minister and Cabinet, \$170 713 000—	
Department of Finance, \$214 843 000—	
Department of the Treasury, \$1 427 957 000—	
Advance to the Minister for Finance, \$170 000 000—	
together—	
Progress to be reported, and leave asked to sit again.	

The House resumed; Mr L. J. Scott reported accordingly.  
 Ordered—That the House will, at its next sitting, again resolve itself into the said committee.

30 **ADJOURNMENT:** Mr Duncan (Parliamentary Secretary to the Attorney-General) moved—That the House do now adjourn.  
 Question—put and passed.  
 And then the House, at 12.04 a.m., adjourned until Tuesday, 6 October 1992, at 2 p.m.

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**PAPERS:** The following papers were deemed to have been presented on 17 September 1992:

- Christmas Island Act—List of Western Australian Acts under section 8B.
- Cocos (Keeling) Islands Act—List of Western Australian Acts under section 8B.
- Parliament Act—Parliamentary Zone—Proposals and site plans—
  - Administrative Building carpark.
  - Commencement column plaque.
  - Electricity upgrade.
  - National Library lakeside podium.
  - Parliament House—
    - Interpretive trail.
    - Loading dock and carpark/gardeners' storage area.
    - Signs within the Zone.
- Proclamation by His Excellency the Governor-General fixing 21 September 1992 as the date on which the *Migration Amendment Act (No. 3) 1992* shall come into operation.
- States Grants (Schools Assistance) Act 1988*—Determination—No. SEP 92(9).

Wildlife Protection (Regulation of Exports and Imports) Act—Declaration—  
1992 No. 2.

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**ATTENDANCE:** All Members attended (at some time during the sitting) except Mr Anderson, Mr Atkinson, Mr Bilney, Mr Bradford, Mr Cameron, Dr Catley, Mrs Crosio, Mr Goodluck, Mr Holding, Mr Johns, Mr Kerin, Mr Langmore, Mr McGauran, Mr McLeay, Mr P. F. Morris, Mr Peacock, Mr Price, Mr Punch, Mr Reid, Mrs Sullivan and Mr Wright.

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**L. M. BARLIN**  
Clerk of the House of Representatives