

1917.  
(SECOND SESSION.)

# THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

No. 31.

## VOTES AND PROCEEDINGS

OF THE

## HOUSE OF REPRESENTATIVES.

THURSDAY, 20TH SEPTEMBER, 1917.

1. The House met, at eleven o'clock a.m., pursuant to adjournment.—Mr. Speaker took the Chair, and read Prayers.
2. WAYS AND MEANS [INCOME TAX RESOLUTION].—The House, according to Order, resolved itself into the Committee of Ways and Means.

(In the Committee.)

Debate resumed on the motion of Sir John Forrest, viz. :—That a tax be imposed on incomes derived from sources in Australia at the following amounts and rates, namely :—(See pages 61-3 ante).

Sir John Forrest moved, That the Resolution be put in sections as alphabetically headed.

Debate ensued.

Question—That the Resolution be put in sections as alphabetically headed—put.

The Committee divided—

Ayes, 41.

Mr. Archibald	Mr. Lynch
Mr. Atkinson	Mr. Mackay
Mr. Bamford	Mr. Manifold
Mr. Bayley	Mr. Maxwell
Mr. Chapman	Mr. McWilliams
Mr. Joseph Cook	Mr. Orchard
Mr. Corser	Mr. Palmer
Mr. Falkiner	Mr. Pigott
Mr. Fleming	Mr. Poynton
Sir John Forrest	Mr. Sampson
Mr. R. W. Foster	Mr. Sinclair
Mr. Fowler	Mr. Bruce Smith
Mr. Glynn	Mr. Laird Smith
Mr. Gregory	Mr. Story
Mr. Groom	Mr. John Thomson
Mr. Hughes	Mr. Webster
Sir William Irvine	Mr. Wise
Mr. Jensen	
Mr. Kelly	
Mr. Lamond	
Mr. Leckie	
Mr. Lister	

Tellers :

Mr. Greene  
Mr. Rodgers

Noes, 16.

Mr. Anstey	Mr. Nicholls
Mr. Blakeley	Mr. Riley
Mr. Charlton	Mr. Tudor
Mr. Considine	Mr. Watkins
Mr. Fenton	Mr. West
Mr. Finlayson	
Mr. Mahony	
Mr. W. Maloney	
Mr. Mathews	

Tellers :

Mr. Brennan  
Mr. J. H. Catts

And so it was resolved in the affirmative.

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Section A proposed, which reads as follows:—

**A.—RATE OF TAX UPON INCOME DERIVED FROM PERSONAL EXERTION.**

(a) For so much of the whole taxable income as does not exceed £7,600 the average rate of tax per pound sterling shall be Threepence and three eight-hundredths of one penny where the taxable income is One pound sterling, and shall increase uniformly with each increase of One pound sterling of the taxable income by three eight-hundredths of one penny.

The average rate of tax per pound sterling for so much of the taxable income as does not exceed £7,600 may be calculated from the following formula:—

R = average rate of tax in pence per pound sterling.

I = taxable income in pounds sterling.

$$R = \left( 3 + \frac{3}{800} I \right) \text{ pence.}$$

(b) For every pound sterling of taxable income in excess of £7,600 the rate of tax shall be Sixty pence.

Section agreed to, after debate.

Section B proposed, which reads as follows:—

**B.—RATE OF TAX UPON INCOME DERIVED FROM PROPERTY.**

(a) For such part of the taxable income as does not exceed £546 the average rate of tax per pound sterling shall be that given by the following formula:—

R = average rate of tax in pence per pound sterling.

I = taxable income in pounds sterling.

$$R = \left( 3 + \frac{I}{181.058} \right) \text{ pence.}$$

(b) For such part of the taxable income as exceeds £546, but does not exceed £2,000, the additional tax for each additional pound of taxable income above £546 shall increase continuously with the increase of the taxable income in a curve of the second degree in such a manner that the increase of tax for One pound increase of taxable income shall be—

11.713 pence for the pound sterling between £545 10s. 0d. and £546 10s. 0d.

12.768 pence for the pound sterling between £559 10s. 0d. and £600 10s. 0d.

14.672 pence for the pound sterling between £699 10s. 0d. and £700 10s. 0d.

16.512 pence for the pound sterling between £799 10s. 0d. and £800 10s. 0d.

18.288 pence for the pound sterling between £899 10s. 0d. and £900 10s. 0d.

20.000 pence for the pound sterling between £999 10s. 0d. and £1,000 10s. 0d.

27.600 pence for the pound sterling between £1,499 10s. 0d. and £1,500 10s. 0d.

33.600 pence for the pound sterling between £1,999 10s. 0d. and £2,000 10s. 0d.

(c) For such part of the taxable income as exceeds £2,000, but does not exceed £6,500, the additional tax for each additional pound of taxable income above £2,000 shall increase continuously with the increase of the taxable income in a curve of the third degree in such a manner that the increase of tax for One pound increase of taxable income shall be—

33.600 pence for the pound sterling between £1,999 10s. 0d. and £2,000 10s. 0d.

40.000 pence for the pound sterling between £2,499 10s. 0d. and £2,500 10s. 0d.

45.300 pence for the pound sterling between £2,999 10s. 0d. and £3,000 10s. 0d.

49.600 pence for the pound sterling between £3,499 10s. 0d. and £3,500 10s. 0d.

53.000 pence for the pound sterling between £3,999 10s. 0d. and £4,000 10s. 0d.

55.600 pence for the pound sterling between £4,499 10s. 0d. and £4,500 10s. 0d.

57.500 pence for the pound sterling between £4,999 10s. 0d. and £5,000 10s. 0d.

58.800 pence for the pound sterling between £5,499 10s. 0d. and £5,500 10s. 0d.

59.600 pence for the pound sterling between £5,999 10s. 0d. and £6,000 10s. 0d.

60.000 pence for the pound sterling between £6,499 10s. 0d. and £6,500 10s. 0d.

(d) For every pound sterling of taxable income in excess of £6,500 the rate of tax shall be Sixty pence.

Section amended, on the motion of Sir John Forrest, by the omission of the figures £559 10s. 0d. (line 6 of paragraph (b)) and the insertion of the figures £599 10s. 0d. in place thereof.

Section, as amended, agreed to.

Section C proposed, which reads as follows:—

**C.—RATE OF TAX IN RESPECT OF TAXABLE INCOME DERIVED PARTLY FROM PERSONAL EXERTION AND PARTLY FROM PROPERTY.**

(a) For every pound sterling 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 Subdivision A if the total taxable income were derived exclusively from personal exertion by the amount of the total taxable income.

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

Section debated and agreed to.

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Section D proposed, which reads as follows :—

D.—ADDITIONAL TAX.

In addition to the tax payable under the preceding provisions, there shall be payable, in the case of incomes in respect of which the tax is calculated under the foregoing provisions, an additional tax equal to twenty-five per centum of the amount of the tax so calculated.

Section debated and agreed to.

Section E proposed, which reads as follows :—

E.—TAX PAYABLE IN CERTAIN CASES BY PERSONS NOT MARRIED AND HAVING NO DEPENDANTS.

Notwithstanding anything contained in the preceding provisions, the tax payable by any person who—

- (a) is not married, has no dependants, and is not an absentee ; and
- (b) has a gross income of not less than One hundred pounds, or, in the case of a person carrying on business in Australia, has an income from the business which, after deducting from the gross income the deductions specified in paragraph (a) of sub-section (1.) of section eighteen of the *Income Tax Assessment Act 1915-1916* amounts, together with his income from all other sources in Australia, to not less than One hundred pounds ; and
- (c) would, apart from this provision, not be liable to pay an income tax of One pound or upwards,

shall be One pound.

Section debated.

Question—That the section be agreed to—put.

The Committee divided—

Ayes, 39.

Noes, 17.

Mr. Atkinson	Mr. Livingston
Mr. Bayley	Mr. Lynch
Sir Robert Best	Mr. Mackay
Mr. Boyd	Mr. Manifold
Mr. Chapman	Mr. McWilliams
Mr. Joseph Cook	Mr. Orchard
Mr. Corser	Mr. Palmer
Mr. Falkiner	Mr. Pigott
Mr. Fleming	Mr. Poynton
Sir John Forrest	Mr. Rodgers
Mr. R. W. Foster	Mr. Sampson
Mr. Fowler	Mr. Sinclair
Mr. Glynn	Mr. Bruce Smith
Mr. Gregory	Mr. Laird Smith
Mr. Groom	Mr. Story
Mr. Heitmann	Mr. Webster
Mr. Hughes	
Mr. Jensen	
Mr. Lamond	<i>Tellers :</i>
Mr. Leckie	Mr. Greene
Mr. Lister	Mr. Wise

Mr. Blakeley	Mr. Riley
Mr. Brennan	Mr. Tudor
Mr. J. H. Catts	Mr. Wallace
Mr. Charlton	Mr. Watkins
Mr. Considine	Mr. West
Mr. Fenton	
Mr. Finlayson	<i>Tellers :</i>
Mr. Mahony	Mr. Mathews
Mr. W. Maloney	Mr. Page
Mr. Nicholls	

And so it was resolved in the affirmative.

Section F proposed, which reads as follows :—

F.—TAX PAYABLE IN CERTAIN CASES BY MALE PERSONS BETWEEN THE AGES OF TWENTY-ONE YEARS AND FORTY-FIVE YEARS.

(a) There shall be payable by every male person (whether in receipt of a taxable income or not) who, on the first day of July, One thousand nine hundred and seventeen—

- (i) was unmarried or a widower without children ; and
- (ii) was not under the age of twenty-one years and was under the age of forty-five years,

income tax to the amount of Ten pounds or ten per centum of his taxable income, whichever is the greater :

Provided further that where the Commissioner is satisfied that by reason of the support given by a person to his dependants the payment of the full amount of tax would impose hardship on the person, the Commissioner may reduce the amount of tax payable by that person to such amount as the Commissioner in his discretion determines.

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(b) The preceding provisions of this subdivision shall not apply to a person who satisfies the Commissioner—

- (i) that he has been on active service outside Australia during the present war or is a member of an Expeditionary Force raised for service outside Australia; or
- (ii) that he has since the first day of January, One thousand nine hundred and seventeen, endeavoured to enlist in an Expeditionary Force raised for service outside Australia, but has been rejected solely on the ground of physical unfitness; or
- (iii) that, notwithstanding that he has not endeavoured to enlist in an Expeditionary Force raised for service outside Australia, he is obviously unfit for any naval or military service whatever; or
- (iv) that all his brothers of military age have been on active service outside Australia during the present war or are members of an Expeditionary Force raised for service outside Australia; or
- (v) that he is permanently incapacitated for work; or
- (vi) that he is employed in the police or prison services of the Commonwealth or of a State; or
- (vii) that he is employed on a lighthouse; or
- (viii) that he is a minister of religion.

(c) For the purposes of this subdivision "taxable income" means the amount which is ascertained by deducting from the taxable income of that person within the meaning of the *Income Tax Assessment Act 1915-1916* the sum of Twenty-six pounds in respect of each dependant wholly dependent upon him, and such less sum as the Commissioner allows in respect of each dependant partially dependent upon him.

Mr. Lamond moved, That the words "married or" be inserted after the words "unmarried or" in sub-paragraph (i) of paragraph (a).

Amendment negatived, after debate.

Sir John Forrest moved, That the words "and was under the age of forty-five years" be omitted from sub-paragraph (ii) of paragraph (a).

Amendment agreed to, after debate.

Sir John Forrest moved, That the word "ten", wherever occurring, in line 6 of paragraph (a) be omitted, and that the word "five" be inserted in place thereof.

Amendment agreed to.

Sir John Forrest moved, That the words "or has enlisted for service outside Australia on a ship of war" be inserted after the words "raised for service outside Australia" in sub-paragraph (i) of paragraph (b).

Amendment agreed to.

Sir John Forrest moved, That sub-paragraphs (ii) and (iii) be omitted from paragraph (b).

Amendment agreed to.

Sir John Forrest moved, That the word "all" be omitted from sub-paragraph (iv) of paragraph (b), and that the words "a majority of" be inserted in place thereof.

Amendment debated and agreed to.

Sir John Forrest moved, That the words "or have enlisted for service outside Australia on a ship of war" be inserted after the words "raised for service outside Australia" in sub-paragraph (iv) of paragraph (b).

Amendment agreed to.

Sir John Forrest moved, That sub-paragraphs (vi), (vii), and (viii) be omitted from paragraph (b).

Amendment debated and agreed to.

Sir John Forrest moved, That the following sub-paragraph be added to paragraph (b):—

"(vi) that he is in receipt of an invalid or old-age pension."

Amendment debated and agreed to.

Section, as amended, debated.

Question—That the section, as amended, be agreed to—put.

The Committee divided—

Ayes, 37.

Noes, 18.

Mr. Archibald	Mr. Manifold
Mr. Atkinson	Mr. McWilliams
Mr. Bayley	Mr. Orchard
Mr. Boyd	Mr. Palmer
Mr. Chapman	Mr. Pigott
Mr. Joseph Cook	Mr. Poynton
Mr. Corser	Mr. Rodgers
Mr. Falkiner	Mr. Sampson
Sir John Forrest	Mr. Sinclair
Mr. R. W. Foster	Mr. Bruce Smith
Mr. Glynn	Mr. Laird Smith
Mr. Gregory	Mr. Story
Mr. Groom	Mr. John Thomson
Mr. Hughes	Mr. Watt
Mr. Jensen	Mr. Webster
Mr. Kelly	
Mr. Lamond	
Mr. Lister	
Mr. Livingston	Mr. Greene
Mr. Mackay	Mr. Wise

Tellers:

Mr. Blakeley	Mr. Nicholls
Mr. Brennan	Mr. Riley
Mr. J. H. Catts	Mr. Tudor
Mr. Charlton	Mr. Wallace
Mr. Considine	Mr. West
Mr. Fenton	Mr. Yates.
Mr. Finlayson	
Mr. Lynch	
Mr. Mahony	Mr. Page
Mr. Mathews	Mr. Watkins

Tellers:

And so it was resolved in the affirmative.

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Section G proposed, which reads as follows :—

G.—RATE OF TAX UPON THE INCOME OF A COMPANY.

(a) For every pound sterling of the taxable income of a Company which has not been distributed to the members or shareholders of the Company the rate of tax shall be One shilling and tenpence half-penny.

(b) For every pound sterling of the income of a Company distributed to the members shareholders or stockholders of the Company who are absentees, and of interest paid or credited by the Company to any person who is an absentee in respect of debentures of the Company, or on money lodged at interest with the Company by such person, the rate of tax shall be Sixpence.

Section agreed to.

On the motion of Sir John Forrest, the following section was added to the Resolution :—

H.—TAX PAYABLE IN RESPECT OF A CASH PRIZE IN A LOTTERY.

There shall be payable in respect of a cash prize in a lottery income tax to the amount of ten per centum of the gross prize money."

Resolution to be reported and leave asked to sit again.

The House resumed ; Mr. Chanter reported accordingly.

Resolved—That the House will, at a later hour this day, again resolve itself into the said Committee. Sir John Forrest moved, pursuant to contingent notice, That the Standing Orders be suspended, to enable the remaining stages to be passed without delay.

Question—put and passed.

The Resolution reported from the Committee was read, and, on the motion of Sir John Forrest, was adopted by the House.

Ordered—That Sir John Forrest and Mr. Glynn do prepare and bring in a Bill to carry out the Resolution.

3. INCOME TAX BILL (1917).—Sir John Forrest then brought up a Bill intituled "*A Bill for an Act to impose Taxes upon Incomes,*" and moved, That it be now read a first time.

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

Sir John Forrest moved, That the Bill be now read a second time.

Debate ensued.

Question—put.

The House divided—

Ayes, 39.

Mr. Archibald	Mr. Mackay
Mr. Atkinson	Mr. Manifold
Mr. Bayley	Mr. McWilliams
Mr. Boyd	Mr. Orchard
Mr. Chanter	Mr. Palmer
Mr. Chapman	Mr. Pigott
Mr. Joseph Cook	Mr. Poynton
Mr. Corser	Mr. Rodgers
Mr. Falkiner	Mr. Sampson
Sir John Forrest	Mr. Sinclair
Mr. R. W. Foster	Mr. Bruce Smith
Mr. Glynn	Mr. Laird Smith
Mr. Gregory	Mr. Story
Mr. Groom	Mr. John Thomson
Mr. Hughes	Mr. Watt
Mr. Jensen	Mr. Webster
Mr. Kelly	
Mr. Lamond	Tellers :
Mr. Lister	
Mr. Livingston	Mr. Greene
Mr. Lynch	Mr. Wise

Noes, 17.

Mr. Blakeley	Mr. Riley
Mr. Brennan	Mr. Tudor
Mr. J. H. Catts	Mr. Wallace
Mr. Considine	Mr. West
Mr. Fenton	Mr. Yates
Mr. Finlayson	
Mr. Mahony	Tellers :
Mr. W. Maloney	
Mr. Mathews	Mr. Charlton
Mr. Nicholls	Mr. Page

And so it was resolved in the affirmative.

Bill read a second time.

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

(In the Committee.)

Clause 1 agreed to.

Clause 2 debated and agreed to.

Clause 3 agreed to.

Clause 4 debated.

Question—That the clause stand part of the Bill—put.

20th September, 1917.

The Committee divided—

Ayes, 35.		Noes, 16.	
Mr. Archibald	Mr. Mackay	Mr. Blakeley	Mr. Riley
Mr. Bayley	Mr. Manifold	Mr. Brennan	Mr. Tudor
Mr. Chanter	Mr. Orchard	Mr. Considine	Mr. Wallace
Mr. Chapman	Mr. Palmer	Mr. Fenton	Mr. West
Mr. Joseph Cook	Mr. Pigott	Mr. Finlayson	Mr. Yates
Mr. Corser	Mr. Poynton	Mr. Mahony	
Mr. Falkiner	Mr. Rodgers	Mr. W. Maloney	<i>Tellers:</i>
Sir John Forrest	Mr. Sampson	Mr. Mathews	Mr. J. H. Catts
Mr. R. W. Foster	Mr. Sinclair	Mr. Nicholls	Mr. Page
Mr. Glynn	Mr. Bruce Smith		
Mr. Gregory	Mr. Laird Smith		
Mr. Groom	Mr. John Thomson		
Mr. Hughes	Mr. Webster		
Mr. Jensen	Mr. Wise		
Mr. Kelly			
Mr. Lamond			
Mr. Lister	<i>Tellers.</i>		
Mr. Livingston	Mr. Atkinson		
Mr. Lynch	Mr. Greene		

And so it was resolved in the affirmative.

Clause 5 agreed to.

Clause 6 debated.

Mr. Kelly moved, That paragraph (b) of sub-clause (2.) be omitted.

Amendment debated and negatived.

Mr. Atkinson moved, That the following paragraph be added to sub-clause (2.) :—

“or

(e) that he is a minister of religion or a student of theology.”

*Chairman's Ruling—*

The Temporary Chairman (Mr. Charlton) ruled the amendment out of order on the ground that the question had been previously negatived by the Committee of Ways and Means when considering the Resolutions upon which the Bill was founded and that the House had subsequently adopted the Committee's Report.

Mr. Lynch moved, That the words “(whether in receipt of a taxable income or not)” be omitted from the clause.

Amendment ruled out of order.

Mr. Falkiner moved, That the words “Twenty-six” in sub-clause (3.) be omitted with a view to the insertion of the words “Fifty-two” in place thereof.

Amendment ruled out of order

Mr. Chapman moved, That the following paragraph be added to sub-clause (2.) :—

“or

(e) if he satisfies the Commissioner that he is a student of theology or minister of religion.”

Amendment ruled out of order.

Question—That the clause stand part of the Bill—put.

The Committee divided—

Ayes, 36.		Noes, 19.	
Mr. Archibald	Mr. Manifold	Mr. Blakeley	Mr. Nicholls
Mr. Atkinson	Mr. McWilliams	Mr. Brennan	Mr. Riley
Mr. Bayley	Mr. Orchard	Mr. J. H. Catts	Mr. Tudor
Mr. Boyd	Mr. Palmer	Mr. Chapman	Mr. Wallace
Mr. Joseph Cook	Mr. Pigott	Mr. Charlton	Mr. West
Mr. Corser	Mr. Poynton	Mr. Considine	Mr. Yates.
Mr. Falkiner	Mr. Rodgers	Mr. Fenton	
Sir John Forrest	Mr. Sampson	Mr. Finlayson	
Mr. R. W. Foster	Mr. Sinclair	Mr. Lynch	<i>Tellers:</i>
Mr. Glynn	Mr. Bruce Smith	Mr. Mahony	Mr. Mathews
Mr. Gregory	Mr. Laird Smith	Mr. W. Maloney	Mr. Page
Mr. Groom	Mr. Story		
Mr. Hughes	Mr. John Thomson		
Mr. Jensen	Mr. Watt		
Mr. Kelly	Mr. Webster		
Mr. Lamond			
Mr. Lister	<i>Tellers:</i>		
Mr. Livingston	Mr. Greene		
Mr. Mackay	Mr. Wise		

And so it was resolved in the affirmative.

Clauses 7, 8, and 9 agreed to.

20th September, 1917.

New Clause—

Mr. Fenton moved, That the following new clause be added to the Bill to stand as Clause 10 :—

“10. Notwithstanding anything contained in this Act or the Principal Act all incomes under Two hundred pounds shall not be subject to the provisions of this or the Principal Act.”

Proposed new clause ruled out of order.

Schedules agreed to.

Title agreed to.

Bill to be reported without amendment.

The House resumed ; Mr. Chanter reported accordingly.

On the motion of Sir John Forrest, the House adopted the Report.

Sir John Forrest moved, That the Bill be now read a third time.

Question—put.

The House divided—

Ayes, 37.

Noes, 16.

Mr. Archibald	Mr. Manifold
Mr. Atkinson	Mr. McWilliams
Mr. Bayley	Mr. Orchard
Mr. Boyd	Mr. Palmer
Mr. Chanter	Mr. Pigott
Mr. Joseph Cook	Mr. Poynton
Mr. Corser	Mr. Rodgers
Mr. Falkiner	Mr. Sampson
Sir John Forrest	Mr. Sinclair
Mr. R. W. Foster	Mr. Bruce Smith
Mr. Glynn	Mr. Laird Smith
Mr. Gregory	Mr. Story
Mr. Groom	Mr. John Thomson
Mr. Hughes	Mr. Watt
Mr. Jensen	Mr. Webster
Mr. Kelly	
Mr. Lamond	
Mr. Lister	<i>Tellers:</i>
Mr. Livingston	Mr. Greene
Mr. Mackay	Mr. Wise

Mr. Blakeley	Mr. Riley
Mr. J. H. Catts	Mr. Tudor
Mr. Considine	Mr. Wallace
Mr. Fenton	Mr. West
Mr. Finlayson	Mr. Yates
Mr. Lynch	
Mr. Mahony	<i>Tellers:</i>
Mr. Mathews	Mr. Charlton
Mr. Nicholls	Mr. Page

And so it was resolved in the affirmative.

Bill read a third time.

4. MESSAGE FROM THE SENATE.—SHALE OIL BOUNTY BILL.—Mr. Speaker announced the receipt of the following Message from the Senate :—

MR. SPEAKER,

Message No. 27.

The Senate returns to the House of Representatives the Bill for “*An Act to provide for the Payment of a Bounty on the production of Crude Shale Oil,*” to which it has agreed without amendment.

The Senate,  
Melbourne, 19th September, 1917.

THOS. GIVENS,  
President.

5. MESSAGE FROM THE SENATE.—WOOD PULP AND ROCK PHOSPHATE BOUNTIES BILL (1917).—Mr. Speaker announced the receipt of the following Message from the Senate :—

MR. SPEAKER,

Message No. 28.

The Senate returns to the House of Representatives the Bill for “*An Act to amend the ‘Wood Pulp and Rock Phosphate Bounties Act 1912,’*” to which it has agreed without amendment.

The Senate,  
Melbourne, 20th September, 1917.

THOS. GIVENS,  
President.

6. MESSAGE FROM THE SENATE.—DEFENCE BILL (1917).—Mr. Speaker announced the receipt of the following Message from the Senate :—

MR. SPEAKER,

Message No. 29.

The Senate has agreed to the amendments made by the House of Representatives in the Bill for “*An Act to amend the ‘Defence Act 1903–1915.’*”

The Senate,  
Melbourne, 20th September, 1917.

THOS. GIVENS,  
President.

7. MESSAGE FROM THE SENATE.—RAILWAYS BILL.—Mr. Speaker announced the receipt of the following Message from the Senate :—

MR. SPEAKER,

Message No. 30.

The Senate returns to the House of Representatives the Bill for “*An Act relating to the Construction and Management of Commonwealth Railways,*” and acquaints the House that the Senate agrees to the consequential amendments made by the House of Representatives in the Bill.

The Senate,  
Melbourne, 20th September, 1917.

THOS. GIVENS,  
President.

20th September, 1917.

8. MESSAGE FROM THE SENATE.—AUDIT BILL (1917).—Mr. Speaker announced the receipt of the following Message from the Senate :—

MR. SPEAKER,

Message No. 31.

The Senate returns to the House of Representatives the Bill for "An Act to amend the 'Audit Act 1901-1912'," to which it has agreed without amendment.

The Senate,  
Melbourne, 20th September, 1917.

THOS. GIVENS,  
President.

9. SUSPENSION OF STANDING ORDER NO. 70.—Mr. Joseph Cook moved, by leave, That Standing Order No. 70 be suspended for this sitting.

Question—put and passed.

10. WAR-TIME PROFITS TAX ASSESSMENT BILL—SENATE'S AMENDMENTS.—The Order of the Day having been read for the consideration in Committee of the whole House of the Amendments made by the Senate in this Bill—Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

The Committee proceeded to consider the Amendments, which are as follow :—

SCHEDULE OF THE AMENDMENTS MADE BY THE SENATE.

- No. 1.—Page 2, clause 4, lines 21 and 22, leave out "of foodstuffs the produce of Australia for the purposes of manufacture or sale".
- No. 2.—Page 2, clause 4, after definition of "Co-operative Company" insert the following definition :—  
" 'Partnership' includes beneficiaries under a will, settlement, or other deed of trust who are carrying on business jointly."
- No. 3.—Page 4, clause 8, line 51, after "Australia" insert "so far as regards the manufacture, preparation, or wholesale distribution of foodstuffs, the produce of Australia."
- No. 4.—Page 5, clause 8, sub-clause (1.), after paragraph (f) insert the following new paragraph :—  
"and (g) businesses commenced since the fourth day of August One thousand nine hundred and fourteen for the purposes of mining for wolfram, molybdenite, tungsten, scheelite, or any other rare metal used in the manufacture of munitions of war, if the output of the mine is disposed of to the Imperial Government."
- No. 5.—Page 8, clause 12, lines 12 and 13, leave out "it is shown to the satisfaction of the Commissioner that".
- No. 6.—Page 10, clause 15, lines 14-16, leave out "and if allowed shall be only of such amount as appears to the Commissioner to be reasonably and properly attributable to the year or accounting period."
- No. 7.—Page 10, clause 15, line 18, after "fire" insert "flood".
- No. 8.—Page 10, clause 15, lines 19 and 20, leave out "to the satisfaction of the Commissioner".
- No. 9.—Page 10, clause 15, lines 25 and 26, leave out "to the satisfaction of the Commissioner".
- No. 10.—Page 10, clause 15, after sub-clause (4.) insert the following new sub-clause :—  
"(4A.) For the purposes of this section 'income tax payable in respect of the profits' shall be—  
(a) in the case of an individual the amount of tax that would have been payable if the profits had been the only income derived by him from sources within Australia;  
(b) in the case of a partnership the aggregate of the amounts of tax that would have been payable by each partner if the share of the profits coming to him had been the only income derived by him from sources within Australia; and  
(c) in the case of a company, the amount of the tax (if any) paid by the company, together with the aggregate of the amounts of tax that would have been payable by each shareholder if the share of the profits credited or paid to him had been the only income derived by him from sources within Australia."
- No. 11.—Page 13, clause 15, line 33, leave out "it is shown to the satisfaction of the Commissioner that".
- No. 12.—Page 15, clause 16, line 18, leave out "to the satisfaction of the Commissioner".
- No. 13.—Page 16, clause 16, line 5, leave out "to the satisfaction of the Commissioner".
- No. 14.—Page 16, clause 16, lines 10 and 11, leave out "it is shown to the satisfaction of the Commissioner that".

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No. 15.—Page 17, clause 17, after sub-clause (2.), insert the following new sub-clause:—

“(2A.) Where any money paid into or credited to a business is not being drawn upon for the purposes of that business it shall be excluded from the capital of the business for the purposes of this Act”.

No. 16.—Page 18, clause 23, line 31, leave out “may,” insert “shall”.

No. 17.—Page 19, clause 27, line 17, after “Board” insert “or Boards”.

No. 18.—Page 29, clause 59, lines 4 and 5, leave out “it is shown to the satisfaction of the Commissioner that”.

Sir John Forrest moved, That the Amendments be agreed to.

Debate ensued.

And the Committee continuing to sit till after midnight—

FRIDAY, 21st SEPTEMBER, 1917.

Debate continued.

Question—put and passed.

Resolution to be reported.

The House resumed; Mr. Chanter reported accordingly.

On the motion of Sir John Forrest, the House adopted the Report.

11. WAYS AND MEANS [WAR-TIME PROFITS TAX RESOLUTION].—The House, according to Order, again resolved itself into the Committee of Ways and Means.

(In the Committee.)

Resolved, on the motion of Sir John Forrest—That a War-time Profits Tax be imposed on the war-time profits liable to tax arising from any business at the following rates, namely:—

- (a) on the war-time profits arising in the financial year ending on the thirtieth day of June, One thousand nine hundred and sixteen—fifty per centum of those profits;  
(b) on the war-time profits arising in each succeeding financial year—seventy-five per centum of those profits.

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

The House resumed; Mr. Chanter reported accordingly.

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

Sir John Forrest moved, pursuant to contingent notice, That the Standing Orders be suspended, to enable the remaining stages to be passed without delay.

Question—put and passed.

The said Resolution was read, and, on the motion of Sir John Forrest, was adopted by the House.

Ordered—That Sir John Forrest and Mr. Joseph Cook do prepare and bring in a Bill to carry out the foregoing Resolution.

12. WAR-TIME PROFITS TAX BILL.—Sir John Forrest then brought up a Bill intituled “*A Bill for an Act to impose a Tax upon Profits*,” and moved, That the Bill be now read a first time.

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

Sir John Forrest moved, That the Bill be now read a second time.

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

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

(In the Committee.)

Bill agreed to, and to be reported without amendment.

The House resumed; Mr. Chanter reported accordingly.

On the motion of Sir John Forrest, the House adopted the Report, and the Bill was read a third time.

13. ADJOURNMENT.—Mr. Joseph Cook moved, That the House do now adjourn.

Debate ensued.

Question—put and passed.

And then the House, at seven minutes past twelve o'clock midnight, adjourned until this day at eleven o'clock a.m.

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except—Lieut.-Col. Abbott<sup>a</sup>, Mr. Burchell<sup>a</sup>, Mr. Higgs, Mr. McDonald<sup>a</sup>, Mr. McGrath<sup>a</sup>, Brigadier-General Ryrie<sup>a</sup>, and Mr. Spence.

\* On leave.

(a) Joined Australian Imperial Expeditionary Forces.

WALTER A. GALE,  
Clerk of the House of Representatives.