

1917-18.

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

No. 118.

VOTES AND PROCEEDINGS

OF THE

HOUSE OF REPRESENTATIVES

MONDAY, 16TH DECEMBER, 1918.

1. The House met, at three o'clock p.m., pursuant to adjournment.—Mr. Speaker took the Chair, and read Prayers.
2. PAPERS.—The following Papers were presented, pursuant to Statute—
Post and Telegraph Act—Regulations Amended—Statutory Rules 1918, Nos. 249, 255, 265, 287, 289, 290, 291, 306, 307, 311.
3. WAR-TIME PROFITS TAX ASSESSMENT BILL (1918).—The Order of the Day having been read for the further consideration of this Bill in Committee of the whole House—Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

Postponed clause 5—

Debate ensued.

Mr. Watt moved, as an amendment, That paragraphs (a) and (b) be omitted and that the following paragraphs be inserted in place thereof :—

“(a) by inserting at the end of sub-section (1.) the following proviso :—

‘ Provided that paragraph (b) of this sub-section shall not apply to assessments made for the financial year beginning on the first day of July, One thousand nine hundred and eighteen, and any subsequent year ’ ; and

(b) by inserting at the end of sub-section (3.) the following proviso :—

‘ Provided further that paragraph (b) of this sub-section shall not apply to assessments made for the financial year beginning on the first day of July, One thousand nine hundred and eighteen, and any subsequent year. ’ ”

Debate ensued.

Amendment agreed to.

Clause, as amended, agreed to.

New clauses :—

Mr. Sampson (for Mr. Rodgers) moved, That the following new clause be added to the Bill :—

“A. Section ten of the Principal Act is amended by adding the following sub-section :—

‘ (4.) Notwithstanding anything contained in this Act, the capital and profits of any business carried on by a partnership shall be computed in exactly the same way as if it were carried on by a single individual, all capital contributed by any of the partners in money or in kind and used in making the profits being admitted as capital, and all deductions being allowed from the profits of the business which would be allowed if it were carried on by a single individual. ’ ”

Debate ensued.

Question—put and negatived.

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Mr. Watt moved, That the following new clause be added to the Bill, to follow clause 7 :—

“7A. Section seventeen of the Principal Act is amended by adding at the end thereof the following sub-section :—

‘(5.) Notwithstanding anything contained in this Act, the capital of a partnership which, for the purpose of its business to which this Act applies, uses, rent free, land purchased or in process of purchase by a member of the partnership, or in which a member of the partnership has an estate for life or a leasehold estate, shall include—

Partnership
capital:
how defined.

- (a) where the land was purchased or is being purchased by the member—the amount of purchase money paid by him ; or
- (b) where the land was acquired by the member otherwise than by purchase—its value at the date when it was acquired ; or
- (c) where the member has a leasehold estate—the value of the leasehold estate when it was acquired by the member, calculated in accordance with the provisions of the *Land Tax Assessment Act* 1910–1914 relating to leasehold estates :

Provided that where the member has borrowed money on the security of his estate in the land, the average amount of the borrowed money outstanding during the accounting period of the partnership shall be deducted from the amount that would otherwise be included in the capital of the partnership business, and shall be deemed to be borrowed money used by that business within the meaning of sub-section (15.) of section fifteen of this Act.’”

Debate ensued.

Question—put and passed.

Sir Robert Best moved, That the following new clause be added to the Bill :—

“F. Where a person proves that in any accounting period ending after the 30th June, 1915, his profits have not reached the point which involves liability to war-time profits tax or that he has sustained a loss in his business he shall be entitled—

- (a) to repayment of such amount paid to him as war-time profits tax in respect of any previous accounting period ; or
- (b) to set off against any war-time profits tax payable by him in respect of any succeeding accounting period during the war such an amount

as will make the total amount of war-time profits tax paid by him during the whole period accord with his profits or losses during that period.”

Debate ensued.

Question—put and negatived.

Mr. Sampson (for Mr. Rodgers) moved, That the following new clause be added to the Bill :—

“B. Section thirteen of the Principal Act is amended by inserting after the words ‘additional factor’ at the end of sub-clause (a) the words ‘or for a calculation of the percentage standard in the case of a pastoral business carried on in a district which is proved to the Commissioner to be liable to severe drought and in which the capital is liable to be decreased or wholly lost through drought.’”

Debate ensued.

Question—put and passed.

Mr. Gregory moved, That the following new clause be added to the Bill :—

“C. Sub-section (13.) of section fifteen of the Principal Act is hereby omitted, and the following inserted in place thereof :—

‘(gg) by omitting sub-section (13.) thereof and inserting in its stead the following sub-section:—
(13.) Where in the case of a pastoral business any loss has been made during the pre-war years, or if the profit in those years has not been sufficient to pay ten per centum on the capital employed in the business during those years, such loss or deficiency shall be deductible from the profits of the accounting period. In computing such loss an allowance shall be made on the capital employed in each year, and shall take effect as from the beginning of the Act.’”

Debate ensued.

Question—put and negatived.

Mr. Figott moved, That the following new clause be added to the Bill :—

“D. 7A. Section fifteen of the Principal Act is amended by inserting after sub-section (13.) the following sub-section :—

‘Notwithstanding anything contained in the last preceding sub-section, where in the case of a pastoral business war-time profits tax has been paid and in any subsequent accounting period during the continuance of this Act the net result of the business shows a loss, the owner of the business shall be entitled to a refund of the amount of the loss : Provided that the amount to be refunded to any person in pursuance of this sub-section shall not exceed the amount of war-time tax paid by him.’”

Proposed new clause ruled out of order.

Mr. Page (for Mr. West) moved, That the following new clause be added to the Bill :—

“E. Section sixteen of the Principal Act is amended by adding the following proviso to sub-section (12.) :—

‘Provided always that when the last accounting period prior to the 4th August, 1914, was not a date later than the 30th September, 1913, then any accounting period between the

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4th August, 1914, and 30th September, 1913, shall be one of the pre-war trading years, provided that it is shown to the satisfaction of the Commissioner that the profits made between the 4th day of August, 1914, and the close of the accounting period are not proportionately in excess of the profits of the preceding part of such year."

Progress 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.

4. **POSTPONEMENT OF BUSINESS.**—Ordered, after debate—That Orders of the Day Nos. 2 to 5 be postponed until after Order of the Day No. 6, Government Business.
5. **IRON AND STEEL BOUNTY BILL—SENATE'S AMENDMENT.**—The Order of the Day having been read for the consideration, in Committee of the whole House, of the Amendment 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 Amendment, which is as follows :—

SCHEDULE OF THE AMENDMENT MADE BY THE SENATE.

Page 2, clause 3, at end of clause add the following proviso :—

"Provided that whenever the Minister authorizes the use of sheet bar steel other than that made in Australia he shall within thirty days thereof cause a statement of the reasons therefor to be laid before both Houses of the Parliament if the Parliament is then sitting or, if the Parliament is not then sitting, within thirty days after the next meeting of Parliament, and if either House of the Parliament passes a resolution of which notice has been given at any time within fifteen sitting days after such statement has been laid before such House disallowing such authorization it shall thereupon cease to have effect."

Mr. Greene moved, That the Senate's Amendment be agreed to.

Debate ensued.

Question—put and passed.

Resolution to be reported.

The House resumed ; Mr. Chanter reported accordingly.

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

6. **CHIEF JUSTICE'S PENSION BILL.**—The Order of the Day having been read for the consideration in Committee of the whole House of His Excellency the Governor-General's Message No. 82—Mr. Speaker left the Chair, and the House resolved itself into a Committee of the Whole.

(In the Committee.)

Mr. Groom moved, That it is expedient that an appropriation of revenue be made for the purposes of a Bill for an Act to provide for the Grant of a Pension to the first Chief Justice of Australia.

Mr. Higgs moved, as an amendment, That after the word "That" the following words be inserted "in view of the state of the finances and the just demand by the public and press for economy in Commonwealth expenditure, the present is not an opportune time to grant a pension of £1,750 to any one".

Debate ensued.

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

The House resumed ; Mr. Chanter reported accordingly.

Resolved That the House will, to-morrow, again resolve itself into the said Committee.

7. **POSTPONEMENT OF BUSINESS**—Ordered—That the remaining Orders of the Day be postponed until after the consideration of Notices of Motion Nos. 1 and 2, Government Business.
8. **CONCILIATION AND ARBITRATION BILL (1918).**—Mr. Groom moved, pursuant to notice, That he have leave to bring in a Bill for an Act to amend the *Commonwealth Conciliation and Arbitration Act 1904-1915*.
Question—put and passed.
Mr. Groom brought up the Bill accordingly, and moved, That it be now read a first time.
Question—put and passed.—Bill read a first time.
Ordered—That the second reading be made an Order of the Day for to-morrow.
9. **SHIPBUILDING BILL.**—Mr. Groom (for Mr. Poynton) moved, pursuant to notice, That he have leave to bring in a Bill for an Act relating to Shipbuilding.
Question—put and passed.

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10. MESSAGES FROM THE GOVERNOR-GENERAL.—ASSENT TO BILLS.—The following Messages from His Excellency the Governor-General were received, and the same were read by Mr. Speaker :—

[*Loan Bill* (1918) [£1,242,194]]—

R. M. FERGUSON,
Governor-General.

Message No. 86.

A Bill intituled "*An Act to authorize the Raising and Expending of the sum of One million two hundred and forty-two thousand one hundred and ninety-four pounds for certain purposes,*" as finally passed by the Senate and the House of Representatives of the Commonwealth, having been presented to the Governor-General for the Royal Assent, His Excellency has, in the name and on behalf of His Majesty, assented to the said Act.

Government House,
Melbourne, 12th December, 1918.

[*Distillation Bill* (1918)]—

R. M. FERGUSON,
Governor-General.

Message No. 87.

A Bill intituled "*An Act to amend the 'Distillation Act 1901,'*" as finally passed by the Senate and the House of Representatives of the Commonwealth, having been presented to the Governor-General for the Royal Assent, His Excellency has, in the name and on behalf of His Majesty, assented to the said Act.

Government House,
Melbourne, 12th December, 1918.

11. ADJOURNMENT.—Mr. Groom moved, That the House do now adjourn.
Question—put and passed.

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

MEMBERS PRESENT.—All Members were present (at some time during the sitting) except—
Mr. Anstey*, Mr. Archibald, Mr. Bayley, Mr. Blakeley, Mr. Burchell*(a), Mr. J. H. Catts, Sir Joseph Cook*, Mr. Falkiner, Mr. Fleming*(a), Mr. R. W. Foster, Mr. Heitmann*(a), Mr. Hughes*, Mr. Jensen, Mr. Livingston, Mr. Lynch, Mr. Mahony, Mr. McDonald, Mr. Nicholls, Mr. Poynton, Mr. Riley, Mr. Rodgers, Brigadier-General Ryrie*(a), Mr. Bruce Smith, Mr. Wallace, Mr. Watkins, Mr. West, and Mr. Yates*(a).

* On leave.

(a) Joined Australian Imperial Force.

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