

MOTOR VEHICLE ENGINE BOUNTY.

No. 69 of 1939.

An Act to provide for the Payment of a Bounty
on the Production of Motor Vehicle Engines.

[Assented to 15th December, 1939.]

[Date of commencement 12th January, 1940.]

BE it enacted by the King's Most Excellent Majesty, the Senate, Preamble.
and the House of Representatives of the Commonwealth of
Australia, for the purpose of appropriating the grant originated in
the House of Representatives, as follows :—

1. This Act may be cited as the *Motor Vehicle Engine Bounty* Short title.
Act 1939.

2. In this Act, unless the contrary intention appears—

Definitions.

“authorized person” means any person authorized in writing
by the Minister in respect of the matter in relation to which
the expression is used ;

“Collector” means the Collector of Customs for a State ;

“Comptroller-General” means the Comptroller-General or
Customs ;

“duty of Customs” means the duty of Customs chargeable in
pursuance of any Customs Tariff or of any Customs Tariff
proposal introduced into the House of Representatives ;

“engine unit” means all those parts of a motor vehicle engine
specified in the Schedule to this Act which, in the opinion of a
Collector, are required to be included in a motor vehicle
engine of fifteen horse-power or over for the efficient opera-
tion of that engine and which have been so included ;

“factory” means any premises appointed by the Minister as
a factory for the purposes of this Act ;

“horse-power” means the horse-power of a motor vehicle engine ascertained in such manner as is prescribed;

“motor vehicle” means any vehicle for conveying persons or goods which has self-contained power of propulsion and is not used on a railway.

Appropriation.

3. There shall be payable out of the Consolidated Revenue Fund, which is hereby appropriated accordingly, the bounty specified in this Act.

Limit of annual bounty.

4.—(1.) The total amount of bounty paid under this Act, in respect of engine units produced during any one financial year, shall not exceed the sum of Six hundred thousand pounds nor, during that part of the financial year preceding the first complete financial year of the period during which this Act is in operation or succeeding the last complete financial year of that period, exceed a sum which bears the same proportion to Six hundred thousand pounds as that part of a complete financial year bears to a complete financial year:

Provided that, when the maximum amount of bounty which may be paid in respect of any financial year or part thereof has not been paid in that year or part, the unpaid balance, or any portion thereof, may be paid in any subsequent financial year or part thereof in addition to the maximum amount in respect of that subsequent financial year or part.

(2.) Where the total amount available in pursuance of this section for the payment of bounty in respect of any financial year or part thereof is insufficient for the payment in full of all valid claims for bounty in respect of that financial year or part thereof, the bounty otherwise payable under this Act in respect of each of those claims shall be reduced to an amount which bears the same proportion to the amount of the claim as the total amount of bounty available in respect of that financial year or part thereof bears to the total amount of valid claims in respect of that financial year or part.

(3.) If the Minister is of the opinion that the total amount of bounty available in pursuance of this section for the payment of bounty in respect of any financial year or part thereof will be insufficient for the payment in full of all valid claims in respect of that financial year or part, he may withhold payment of the whole or any part of all bounties otherwise payable under this Act in respect of that financial year or part until he has ascertained the total amount of valid claims in respect of that financial year or part.

To whom bounty payable.

5. The bounty shall, subject to this Act, be payable to the manufacturer of engine units.

Bounty payable only to Australian companies.

6.—(1.) Bounty under this Act shall not be payable to any manufacturer other than a company incorporated and carrying on business in the Commonwealth and in respect of which the Minister is satisfied—

(a) that the memorandum and articles of association of the company provide for the control of the company by its shareholders;

- (b) that not less than two-thirds of the paid-up value of the total shares issued and not less than two-thirds of the paid-up value of any particular class of shares issued are owned, whether directly or indirectly, by British subjects who are resident in Australia or in a Territory under the control of the Commonwealth ; and
- (c) that the engine units are not manufactured for or on behalf of a person who is not a British subject resident in Australia or in a Territory under the control of the Commonwealth or for or on behalf of a company which would not be entitled to the bounty if it manufactured the engine parts itself.

(2.) In forming his opinion under paragraph (b) of sub-section (1.) of this section, the Minister may disregard all trusts and all other companies which may be interposed between the manufacturing company and any person having the ultimate beneficial interest in the shares of that company.

7.—(1.) The bounty under this Act shall be payable in respect of engine units which, after the date of the commencement of the bounty, are produced in a factory in accordance with the prescribed conditions. Specification of bounty.

(2.) The date of the commencement of the bounty shall be the date of the publication in the *Gazette* of a notice that the Governor-General is satisfied that there is in Australia a factory with complete works and properly equipped for the manufacture of Eight thousand engine units per annum.

8.—(1.) The rates of bounty payable under this Act in respect of the production of engine units shall, subject to this Act, be— Rates of bounty.

- (a) in respect of the first twenty thousand engine units produced after the date of the commencement of the bounty—
Thirty pounds per engine unit ;
- (b) in respect of the second twenty thousand engine units produced after the date of the commencement of the bounty—Twenty-five pounds per engine unit ; and
- (c) in respect of the third twenty thousand engine units produced after the date of the commencement of the bounty—
Twenty pounds per engine unit.

(2.) If the rates of duty of Customs applicable to all engine units imported as original equipment of unassembled motor vehicle chassis are increased above the rates applicable to engine units imported as original equipment of unassembled motor vehicle chassis on the date of the commencement of this Act, the Minister shall forthwith cause to be made in respect of engine units produced in a factory on or after the date of the increase, such reductions in the rates of bounty specified in sub-section (1.) of this section as are, in his opinion, equivalent to that increase.

(3.) Where, after the rates of bounty have been reduced in pursuance of sub-section (2.) of this section, any reduction or increase occurs in the rates of duty of Customs in respect of all engine units imported as original equipment of unassembled motor vehicle chassis, the Minister shall forthwith cause to be made in respect of engine units produced in a factory thereafter such increases or reductions, as the case may be, in the rates of bounty theretofore payable as are, in his opinion, equivalent to that reduction or increase in the rates of duty :

Provided that nothing in this sub-section shall authorize any increase in the rates of bounty so as to exceed the rates specified in sub-section (1.) of this section.

Restriction
on payment of
bounty.

9.—(1.) The rates of bounty shall apply to engine units manufactured in Australia and containing not less than ninety per centum of Australian materials.

(2.) Where any engine units upon which bounty is claimed under this Act do not contain Australian materials to the extent specified in sub-section (1.) of this section, the bounty in respect of the engine units shall be reduced to an amount which bears the same proportion to the full bounty as the percentage of Australian materials contained in the goods bears to the percentage of Australian materials specified in sub-section (1.) of this section.

(3.) For the purposes of sub-section (2.) of this section, the relative percentages of Australian and other materials shall be determined by the Comptroller-General on the costs of the respective materials delivered to the factory.

Good quality
essential.

10. Bounty shall not be paid on the production of any engine units unless the Comptroller-General is satisfied that they are of good and merchantable quality.

Factories to
be appointed
by Minister.

11.—(1.) Where, in the opinion of the Minister, engine units are, or are proposed to be, manufactured at premises under such conditions as are from time to time prescribed, he shall appoint those premises as a factory for the purposes of this Act.

(2.) The Minister may require any company applying for the appointment of its premises as a factory under this section to furnish information as to the nature of the business or proposed business, the marketing possibilities for the engine units and such other matters as the Minister thinks fit.

Rates of wages
and conditions
of employment.

12.—(1.) Where, in the locality where engine units in respect of the production of which bounty is claimed are manufactured, any standard rates of wages or conditions of employment to be paid or observed in respect of any persons employed in the manufacture of those engine units have been—

(a) prescribed by any award, order or determination of the Commonwealth Court of Conciliation and Arbitration or of any other industrial authority of the Commonwealth

or of a State or Territory or in any industrial agreement registered under any law of the Commonwealth or of a State or Territory ; or

(b) declared to be fair and reasonable in accordance with the provisions of sub-section (2.) of this section,

a manufacturer when making any claim for bounty in respect of the production of any engine units shall certify to the Collector that the rates of wages paid and the conditions of employment observed by the manufacturer in respect of the persons employed in the manufacture of the engine units were not less favourable to the persons so employed than the rates and conditions so prescribed or declared.

(2.) If, in the locality where engine units in respect of the production of which bounty is claimed are manufactured, the rates of wages and conditions of employment to be paid and observed in respect of any persons employed in the manufacture of those engine units have not been prescribed by any award, order or determination of the Commonwealth Court of Conciliation and Arbitration or of any other industrial authority of the Commonwealth or of a State or Territory or in any industrial agreement registered under any law of the Commonwealth or of a State or Territory, the Minister may make application to the Chief Judge or a Judge of the Commonwealth Court of Conciliation and Arbitration for a declaration as to what rates of wages and conditions of employment are fair and reasonable for persons employed in the manufacture of engine units in that locality.

(3.) If the Minister finds that the rates of wages paid to, or the conditions of employment, or any of them, observed in respect of, persons employed in the manufacture of engine units upon which bounty is claimed were less favourable to those persons than the rates and conditions prescribed or declared as specified in paragraph (a) or paragraph (b), as the case may be, of sub-section (1.) of this section, he may direct that the whole or any part of any bounty shall not be payable and that whole or part, as the case may be, shall thereupon not be payable.

13.—(1.) A manufacturer shall keep, to the satisfaction of the Minister, separate accounts, books and documents showing, from time to time, in relation to engine units subject to bounty, the capital actually used in, and the costs of, the manufacture and sale of the engine units, the selling prices and revenue from sales thereof, and the profits derived from the manufacture and sale.

*Separate
accounts, &c.*

(2.) A manufacturer shall, in respect of each half-year ending on the thirty-first day of December and each financial year ending on the thirtieth day of June respectively, furnish to the Comptroller-General a balance-sheet, profit and loss account, manufacturing account and trading account, and such other information in relation to the manufacture and sale of engine units subject to bounty, as the Minister requires.

(3.) The accounts and information so furnished, together with the stocks of engine units recorded therein as having been held at the end of each such period, shall be certified by the manufacturer and its auditor to be true and correct in every particular.

Stocktaking
and inspection
of manufacture
and accounts.

14.—(1.) Any authorized person may, at all reasonable times, enter upon any factory or premises where engine units, in respect of which bounty has been paid or claimed, are manufactured or stored, and may—

- (a) inspect or take stock of the engine units therein ;
- (b) inspect the process of manufacture of the engine units ; and
- (c) inspect the accounts, books and documents relating to the manufacture and sale of the engine units.

(2.) The manufacturer, and the owner or occupier of the premises, shall provide the authorized person with all reasonable facilities and assistance to enable him to give effect to any or all of the matters specified in sub-section (1.) of this section.

Penalty (for any contravention of this sub-section) : Fifty pounds.

Power to
require persons
to answer
questions
and produce
documents.

15.—(1.) The Comptroller-General, a Collector or any authorized person, may, by notice in writing, require any person whom he believes to be capable of giving any information in relation to the manufacture and sale of engine units to attend before him at the time and place named in the notice and then and there to answer questions and to produce to him such accounts, books and documents in relation to the manufacture or sale as the Comptroller-General, Collector or authorized person thinks necessary.

(2.) The Comptroller-General, the Collector or any authorized person, to whom any accounts, books or documents are produced in pursuance of this section may make and take away copies of or extracts from those accounts, books or documents.

(3.) No person shall be excused from answering any question or producing any accounts, books or documents when required so to do under this section on the ground that the answer to the question or the production of the accounts, books or documents might tend to criminate him or make him liable to a penalty ; but his answer shall not be admissible in evidence against him in any civil or criminal proceeding other than a proceeding for an offence against this Act.

(4.) Where an officer of any manufacturing company has failed to attend or to answer any question or to produce any accounts, books or documents, when required so to do under this section, the Minister may, if he thinks fit, withhold payment of any bounty payable to the manufacturer until the officer has attended, answered the question or furnished the required accounts, books or documents, as the case may be.

Power to
examine upon
oath.

16. The Comptroller-General, a Collector or any authorized person, may administer an oath to any person required to attend before him in pursuance of section fifteen and may examine that person upon oath.

17.—(1.) Where any person required to attend before the Comptroller-General, a Collector or authorized person in pursuance of section fifteen of this Act conscientiously objects to take an oath, he may make an affirmation that he conscientiously objects to take an oath, and that he will state the truth, the whole truth, and nothing but the truth, to all questions that may be asked of him.

*Affirmation
in lieu of oath.*

(2.) An affirmation so made shall be of the same force and effect, and shall entail the same penalties, as an oath.

18. Any person who refuses or fails—

- (a) to attend before the Comptroller-General, a Collector or an authorized person ;
- (b) to be sworn or to make an affirmation ; or
- (c) to answer questions or produce accounts, books or documents, when so required in pursuance of this Act, shall be guilty of an offence.

*Penalty for
refusing to
answer
questions, &c.*

Penalty : Fifty pounds.

19. The Minister may require any manufacturer to give security by bond, guarantee or cash deposit, or by all or any of these methods, for due compliance by it with the provisions of this Act and the regulations or for the performance of any undertaking given by it in pursuance of this Act or the regulations.

*Security for
compliance
with Act.*

20. No bounty shall be authorized to be paid on the production of any engine units unless the manufacturer furnishes proof to the satisfaction of the Minister that the requirements of this Act and the regulations have been substantially complied with.

*Bounty not
payable unless
Act complied
with.*

21.—(1.) Any person who—

- (a) obtains any bounty which is not payable ;
 - (b) obtains payment of any bounty by means of any false or misleading statement ; or
 - (c) presents to any officer or other person doing duty in relation to this Act or the regulations any account, book or document, or makes to any such officer or person any statement, which is false in any particular,
- shall be guilty of an offence.

Offences.

Penalty : One thousand pounds.

(2.) Where a person is convicted, under sub-section (1.) of this section the Court may, in addition to imposing a penalty under that sub-section, order the person to refund to the Minister the amount of any bounty wrongfully obtained.

22.—(1.) A return shall be prepared, not later than the thirty-first day of August of each year, and shall be laid before each House of the Parliament within fifteen sitting days of that House after the preparation of the return.

*Return for
Parliament.*

(2.) The return shall set forth in respect of the preceding financial year—

- (a) the name and address of each manufacturer to whom bounty was paid ;
- (b) the total amount of bounty paid to each manufacturer on each class of engine units, together with particulars, as to the number, quantity, or value of each class of engine units on which bounty was paid ;
- (c) the percentage of the value of materials produced or manufactured in Australia to the total value of materials used by each manufacturer in the production of the engine units on which bounty was paid ; and
- (d) such other particulars as are prescribed.

Regulations.

23. The Governor-General may make regulations not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed, for carrying out or giving effect to this Act, and in particular for prescribing—

- (a) the form in which applications for bounty shall be made ;
- (b) the conditions to be observed by manufacturers in respect of giving notice of their intention to claim bounty and the time or times within which applications for bounty shall be lodged with the Collector ;
- (c) the conditions of manufacture of engine units at factories ; and
- (d) penalties not exceeding Fifty pounds for any breach of the regulations.

THE SCHEDULE.

Air Cleaner ;
Camshaft ;
Carburettor ;
Connecting rods and dippers ;
Crankshaft ;
Cylinder Block ;
Cylinder Head ;
Fan and Fan Pulley and Belt ;
Flywheel ;
Front end cover and plates ;
Fuel pump ;
Harmonic balancer ;
Manifolds ;
Oil Distributor, Oil Pan, Oil Pipes and fittings, Oil Pump ;
Pistons, including Pins, Bushings and Rings ;
Sparking plugs ;
Thermostat and water outlet ;
Valves, Valve springs, Valve keys, Valve seats, Valve caps, Valve guides ;
Valve Lifter and Push rods ;
Valve Rocker Arms ;
Water Pump ; and
All bolts, nuts, screws, bearings, washers, gaskets, shims and springs necessary for assembling any of the foregoing parts together.