

TRACTOR BOUNTY.

No. 35 of 1939.

An Act to provide for the Payment of a Bounty
on the Production of Tractors.

[Assented to 26th September, 1939.]

[Date of commencement, 24th October, 1939.]

Preamble.

BE it enacted by the King's Most Excellent Majesty, the Senate, 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:—

Short title.

1. This Act may be cited as the *Tractor Bounty Act 1939*.

Definitions.

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

“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 of Customs;

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

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

“factory cost” includes an allowance for factory overhead charges, but does not include any allowance for general administration, selling costs, service charges, taxation or any cost whatsoever incurred after a tractor is ready for use;

“tractor” means a complete automotive engine of the internal combustion type which is ordinarily used for haulage work or the operation of stationary or mobile machinery.

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 tractors produced during any one financial year shall not exceed the sum of Thirty-five 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 Thirty-five 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.

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

To whom bounty payable.

6. The bounty under this Act shall be payable in respect of tractors which, during a period of five years commencing on the date of the commencement of this Act, have been produced in a factory in accordance with the prescribed conditions for sale for use in the Commonwealth.

Specification of bounty.

7.—(1.) The rate of bounty payable under this Act on the production of a tractor in respect of which the factory cost of materials and parts wholly manufactured in Australia is not less than ninety per centum of the factory cost of the tractor shall, subject to this Act, be in accordance with the following table:—

Rates of bounty.

Brake horse power of engine.	Bounty per tractor.
Exceeding 12 but not exceeding 18	£ 32
Exceeding 18 but not exceeding 25	40
Exceeding 25 but not exceeding 35	56
Exceeding 35	72

(2.) Where the factory cost of materials and parts wholly manufactured in Australia is less than ninety per centum of the factory cost of the tractor, the rates of bounty specified in sub-section

(1.) of this section shall, subject to sub-section (3.) of this section, be reduced to amounts which bear the same proportion to those rates as the factory cost of those materials and parts bears to the factory cost of the tractor.

(3.) Where the factory cost of materials and parts wholly manufactured in Australia is less than sixty per centum of the factory cost of the tractor, no bounty shall be payable.

(4.) If the rate of duty of Customs applicable to any part of a tractor, other than pneumatic tyres and tubes, has been increased or is increased above the rate applicable to any such part on the first day of September, One thousand nine hundred and thirty-nine, the Minister shall forthwith cause to be made such reduction in the rate of bounty payable in respect of tractors produced in a factory on or after the date of the increase as bears the same proportion to the bounty which would have been payable, if there had been no such increase, as the cost of that part delivered to the factory, or the factory cost of that part, as the case may be, bears to the factory cost of the tractor exclusive of the cost of pneumatic tyres and tubes.

(5.) If the rate of duty of Customs applicable to complete tractors is increased above the rate applicable to tractors on the date of the commencement of this Act, the Minister shall forthwith cause to be made such reduction in the rate of bounty payable in respect of tractors produced in a factory on or after the date of that increase, in addition to any reduction in pursuance of sub-section (4.) of this section, as is equivalent to that increase.

(6.) Where, after the rate of bounty has been reduced in pursuance of sub-section (4.) or (5.) of this section, any reduction or increase occurs in the rate of duty of Customs in respect of those parts or tractors, the Minister shall forthwith cause to be made in respect of tractors produced in a factory thereafter such increase or reduction, as the case may be, in the rate of bounty theretofore payable as is equivalent to that increase or reduction in the rate 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.

(7.) For the purposes of this section, the factory costs and respective percentages of Australian and other materials and parts shall be as are determined by the Comptroller-General.

Existing
bounty on
tractors.

8.—(1.) Any bounty which would, but for this sub-section, have been payable under the *Iron and Steel Products Bounty Act 1922-1934* shall not be payable in respect of any tractor on which bounty is payable under this Act.

(2.) A tractor which, prior to the date of the commencement of this Act, has been produced but has not been delivered from the factory shall be deemed, for the purposes of this Act, to have been produced on the date of the commencement of this Act.

9.—(1.) Where the net profit of a manufacturer from the manufacture and sale of tractors during any financial year or part thereof exceeds the rate of ten per centum per annum on the capital actually used by the manufacturer in that manufacture and sale, the Minister may withhold from the manufacturer payment of bounty in respect of the production of tractors during that financial year or part thereof, and may recover any bounty which has been paid in respect thereof.

Reduction of bounty where profits exceed ten per centum per annum.

(2.) Where the payment of any bounty has resulted or would result in the net profit of a manufacturer, after taking the bounty into account, from the manufacture and sale of tractors during any financial year or part thereof exceeding the rate of ten per centum per annum on the capital actually used by the manufacturer in that manufacture and sale, the Minister may—

- (a) require the manufacturer to refund the portion of the bounty paid to him which has resulted in the net profit, after taking the bounty into account, having exceeded the rate of ten per centum per annum on that capital, and that portion shall thereupon be recoverable; or
- (b) withhold from the manufacturer payment of such further bounty as would result in the net profit, after taking the bounty into account, exceeding the rate of ten per centum per annum on that capital.

(3.) Notwithstanding anything contained in this section, where the Minister finds that a manufacturer has, after taking into account the bounty which would, but for this section, have been payable to him, made a net profit which has exceeded the rate of ten per centum per annum on the capital actually used in the manufacture and sale of tractors, the Minister may, in taking action under this section, make such allowance as he, in his absolute discretion, thinks fit in respect of any net profit of less than ten per centum per annum, or any loss, which the manufacturer may have made during any previous financial year or part thereof (after taking into account the bounty paid to him in respect of that financial year or part thereof) during which this Act is in operation.

(4.) For the purposes of this section, the Minister may—

- (a) determine what amount of capital is from time to time actually used, and what amount of net profit is derived thereon, by any manufacturer in the manufacture and sale of tractors; and
- (b) determine, and include with the amount of capital actually used and net profit thereon derived by the manufacturer, any amount of capital actually used and the net profit thereon derived by any other person (whether subsidiary to or affiliated with the manufacturer or not) in the distribution or sale of tractors to users thereof.

(5.) In the determination under sub-section (4.) of this section of the amount of net profit derived by a manufacturer from the manufacture and sale of tractors, income tax assessed under any Act or State Act shall not be deducted from the profit so derived by that manufacturer.

Good quality essential.

10. Bounty shall not be paid on the production of any tractors 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, tractors 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 person applying for the appointment of his premises as a factory under this section to furnish information as to the nature of the business or proposed business, the marketing possibilities of the tractors, and such other matters as the Minister thinks fit.

Separate accounts.

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

(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 tractors subject to bounty as the Minister requires.

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

Stocktaking and inspection of manufacture and accounts.

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

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

(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.

14.—(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 or sale of tractors 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.

Power to require persons to answer questions and produce documents.

(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 a manufacturer 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 he has attended, answered the question or furnished the required accounts, books or documents, as the case may be.

15. 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 fourteen of this Act and may examine that person upon oath.

Power to examine on oath.

16.—(1.) Where any person required to attend before the Comptroller-General; a Collector or authorized person in pursuance of section fourteen 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 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.

17. 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.

Security for
compliance
with Act.

18. 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 him with the provisions of this Act and the regulations or for the performance of any undertaking given by him in pursuance of this Act or the regulations.

Bounty not
payable
unless Act
complied with.

19. No bounty shall be authorized to be paid on the production of any tractors 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.

Offences.

20.—(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.

Penalty : Five hundred pounds or imprisonment for twelve months.

(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.

Return for
Parliament.

21.—(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.

(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 and the number and value of tractors on which bounty was paid ;
- (c) the percentage of the factory cost of materials and parts produced or manufactured in Australia to the total factory cost of materials and parts used by each manufacturer in the production of tractors on which bounty was paid ; and
- (d) such other particulars as are prescribed.

Regulations.

22. 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 tractors at factories ; and
- (d) penalties not exceeding Fifty pounds for any breach of the regulations.