

# MOTOR INDUSTRY BOUNTY.

No. 54 of 1938.

## An Act to provide for the Payment of a Bounty on the Production of Parts of Motor Vehicles.

[Assented to 7th December, 1938.]

Preamble	<b>B</b> E 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 <i>Motor Industry Bounty Act 1938</i> .
Commencement of Act.	2. This Act shall come into operation on a date to be fixed by Proclamation.
Definitions.	3.—(1.) 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 ; “factory” means any premises appointed by the Minister as a factory for the purposes of this Act ; “goods” means such parts of motor vehicles as are specified in the Schedule ; “motor vehicle” means any vehicle for conveying persons or goods which has self-contained power of propulsion and is not used on a railway. (2.) In this Act, any reference to the Schedule shall be read as a reference to the Schedule to this Act.
Appropriation.	4. 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.	5. The total amount of bounty paid under this Act, during any one financial year, shall not exceed the sum of Thirty-five thousand pounds nor, during any 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 each such part of a complete financial year bears to the whole of a financial year :

Provided that, when the maximum amount of bounty which may be paid in 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 for that subsequent year or part.

6. The bounty shall, subject to this Act, be payable to the manufacturer of the goods.

To whom  
bounty payable.

7. The bounty under this Act shall be payable on the production, during the period of bounty specified in the Schedule, of goods which have been manufactured in a factory in accordance with the prescribed conditions.

Specification of  
bounty.

8.—(1.) The rate of bounty payable under this Act shall be that specified in the Schedule :

Rates of bounty.

Provided that, if the duty of Customs chargeable upon any goods is increased above the rate chargeable in respect of such goods at the date of commencement of the period of bounty, the bounty in respect of the goods produced in a factory after the date of the increase of duty shall be reduced forthwith by such amount as the Minister, in consequence of the increase, deems reasonable.

(2.) For the purposes of this section, "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.

9.—(1.) The rate of bounty specified in the Schedule shall apply to goods manufactured in Australia and containing the percentage of Australian materials specified in the Schedule.

Restriction on  
payment of  
bounty.

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

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

10. Bounty shall not be paid on the production of any goods unless, in the opinion of the Comptroller-General of Customs, they are of good and merchantable quality.

Goods to be of  
good and  
merchantable  
quality.

11.—(1.) Where, in the opinion of the Minister, goods 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.

Factories to be  
appointed by  
Minister.

(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 for the goods, and such other matters as the Minister thinks fit.

Reduction of bounty where profit exceeds ten per centum per annum.

12.—(1.) Where the net profit of a manufacturer from the manufacture and sale of goods during any financial year or part thereof, together with the bounty paid or payable thereon, in respect of the production of the goods during that financial year or part thereof respectively, exceeds the rate of ten per centum per annum on the capital employed by the manufacturer in such 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 on such capital having exceeded the rate of ten per centum per annum, and that portion shall thereupon become a debt due and payable by the manufacturer to the Commonwealth; or
- (b) withhold from that manufacturer payment of such further bounty as would result in the net profit on such capital exceeding ten per centum per annum :

Provided that, where the Minister finds that a manufacturer has made a net profit which, together with the bounty paid or payable to him under this Act, has exceeded the rate of ten per centum per annum on the capital employed in the manufacture and sale of goods, the Minister may, before taking action under this sub-section, take into account any 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 of the period during which this Act is in operation.

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

- (a) determine what amount of capital is from time to time employed by any manufacturer in the manufacture and sale of goods and what amount of net profit is derived by that manufacturer from the manufacture and sale of those goods :

Provided that income tax assessed under any Act or State Act shall not be deducted from the profit of any manufacturer claiming bounty under this Act in computing his net profit ; and

- (b) take into account the capital and the net profit of any intermediate person, whether subsidiary to or affiliated with the manufacturer or not, who distributes or sells the goods to users thereof.

Separate accounts, &c.

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 goods subject to bounty, the capital employed in, and the costs of, the manufacture and sale of the goods, 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 of Customs a balance-sheet, profit and loss account, manufacturing account and trading account, and such other information in relation to the manufacture and sale of goods subject to bounty, as the Minister requires.

(3.) The accounts and information so furnished, together with the stocks of goods 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.

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

Stock-taking,  
and inspection  
of manufacture  
and accounts.

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

(2.) Any such person shall be provided by the manufacturer 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.

**15.—**(1.) The Comptroller-General of Customs, a Collector or any authorized person may, by notice in writing, require any person whom he believes capable of giving any information in relation to the manufacture and sale of goods 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 answered the question or furnished the required accounts, books or documents.

Power to  
examine upon  
oath.

**16.** The Comptroller-General of Customs, a Collector or any authorized person may administer an oath to any person required to attend before him in pursuance of the last preceding section and may examine such person upon oath.

Affirmation in  
lieu of oath.

**17.—**(1.) Where any person required to attend before the Comptroller-General of Customs, 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 him.

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

Penalty for  
refusing to  
answer  
questions, &c.

**18.** Any person who refuses or fails—

(a) to attend before the Comptroller-General of Customs, a Collector or an authorized person ;

(b) to be sworn or to make an affirmation ; or

(c) to answer questions or produce documents,

when so required in pursuance of this Act, shall be guilty of an offence.

Penalty : Fifty pounds.

Security for  
compliance  
with Act.

**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 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.

**20.** No bounty shall be authorized to be paid on the production of any goods 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.

**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 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 the last preceding sub-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 both Houses of the Parliament within thirty days after its preparation if the Parliament is then sitting, and, if not, then within thirty days after the next meeting thereof. 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 goods, together with particulars, as to the number, quantity, or value of each class of goods 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 goods on which bounty was paid ; and
- (d) such other particulars as are prescribed.

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— Regulations.

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

#### THE SCHEDULE.

Description of Goods.	Rate of Bounty.	Period of Bounty.	Percentage of Australian materials to be contained in goods, if the prescribed rate of bounty is to be paid.
Radiator Assembly, comprising the radiator core, upper and lower tanks, side members, anchorages, inlet and outlet castings, overflow pipe, baffle and filler neck (but not including the radiator shell, filler cap or drain cock), when intended for use as original equipment for a motor vehicle	Ten shillings per radiator assembly	Two years from the commencement of this Act	95 per cent.