

FINANCE.

State Finance. Under the Constitution Act the revenues of the State are payable into Consolidated Revenue, but certain of these revenues have been hypothecated by various Acts of Parliament for specified purposes, and are payable into special accounts or funds kept at the State Treasury. These special accounts or funds include the Mallee Land Account, the Assurance Fund, the Licensing Fund, the Police Superannuation Fund, and the Country Roads Board Fund. In addition to these funds there are various Trust Funds, as well as the Loan Funds into which all borrowed moneys are paid.

Subsequent to its elevation into a self-governing Colony in 1851, Victoria was divided for the purposes of local government into Districts, which evolved later into the present system of municipalities. The municipalities have power to levy rates, and are assisted with grants by the State Government. Particulars regarding municipal finance are given in another section of the *Year-Book*. Allied to the municipalities are the Boards and Trusts which control water supply, irrigation, and sewerage, and have rating powers in connexion therewith. There are also the Metropolitan Fire Brigades Board and the Country Fire Brigades Board, which are concerned with fire extinction in the metropolis and urban districts, and derive their revenues from the State Government, the Municipalities, and Insurance Companies; and the Melbourne and Geelong Harbor Trusts, which are intrusted with the management of those respective ports, and derive their revenues mainly from wharfage rates.

The Closer Settlement Board manages closer settlement and discharged soldiers' settlement on behalf of the State. Lands are purchased with loan moneys, and the revenues received by the Board from lessees, &c., are paid into the Closer Settlement Fund or Discharged Soldiers' Settlement Fund; from these funds the working expenses of the Board are met, interest on loans provided, and loans redeemed.

Upon the federation of the Australian Colonies in 1901 the Customs and Excise, Post and Telegraph, and Defence Departments were transferred to the Commonwealth Government, as a set off against which that Government paid to the States at least three-fourths of the net Customs and Excise revenue until 31st December, 1910; since that date it has paid annually a sum equal to 25s. per head of the population.

A summary of the transactions for the financial year 1922-23 in the Consolidated Revenue Fund and in the special funds referred to above gives the following result:—

REVENUE AND EXPENDITURE ACCOUNT OF VICTORIA,
1922-23. £

Revenue	21,634,677
Expenditure	21,611,309
Surplus for the year	23,368
Revenue deficit at 30th June, 1922	1,205,252
Revenue deficit at 30th June, 1923	1,181,884

The Revenue and Expenditure Account is a statement of cash transactions, the revenue representing actual receipts less refunds, and the expenditure actual payments made during the year. The accumulated revenue deficiency had its beginning in the year 1890-91, when it amounted to £206,843, and in the course of the next five years it was added to year by year, until it reached its greatest magnitude (£2,711,436) on 30th June, 1896. After that date it was steadily reduced year by year, with one or two exceptions, to £251,652 on 30th June, 1914; but during 1914-15, under conditions brought about by the war and a serious drought, it was increased to £1,429,603, and it was further increased in the following year to £1,642,091. During each of the last seven years the deficit has been reduced, and, on 30th June, 1923, it was £1,181,884, there having been a decrease as compared with the previous year of £23,368.

The excess of receipts on account of the consolidated revenue over expenditure for the year 1922-23 was £363,949. This amount has since been appropriated to "Revenue Services" to be used as follows:—£234,802 towards the Reduction of the Revenue Deficit Account, and £129,147 to recoup the Developmental Railways Account for amounts transferred to revenue in the years 1913-14 and 1916-17.

The differences between the amounts of revenue and expenditure shown above and those given in the Treasurer's Finance Statement arise from the use of a different method of classification for statistical purposes, the particulars of which for 1922-23 are as follows:—

	Public Revenue.	Public Expenditure.
	£	£
Total according to Treasurer's Finance Statement ..	21,298,210	20,932,703
<i>Add public revenue of the following funds—</i>		
Mallee Land Account—appropriated to Loan Redemption purposes	88,324	88,324
Country Roads Board Fund	179,343	179,343
Licensing Fund*	168,070	168,070
Police Superannuation Fund	10,790	10,790
Assurance Fund	2,447	2,447
Surplus Revenue appropriated to "Revenue Services"		363,949
Surplus Revenue transferred to "Railway Reserve Account"		1,558
<i>Deduct—</i>		
Appropriation to reduction of deficit		23,368
Loss on non-paying railways	112,507	112,507
Total	21,634,677	21,611,309

* Excluding £157,206 transferred to Revenue under Section 39 of Act No. 3259.

Compiled on the above basis, the revenue and expenditure of the State for the last ten years are shown in the next statement:—

STATE REVENUE AND EXPENDITURE: 1913-14 TO 1922-23.

Year ended 30th June—	Revenue.	Expenditure.	Year ended 30th June—	Revenue.	Expenditure.
	£	£		£	£
1914 ..	10,958,037	10,944,718	1919 ..	13,044,088	12,979,407
1915 ..	10,529,017	11,706,968	1920 ..	15,866,184	15,752,459
1916 ..	11,470,875	11,683,363	1921 ..	19,054,475	18,941,698
1917 ..	11,813,879	11,795,295	1922 ..	20,357,733	20,297,279
1918 ..	12,672,787	12,631,169	1923 ..	21,634,677	21,611,309

The expenditure in this statement includes considerable sums appropriated to pay off liabilities of former years, and to form sinking funds to meet outstanding loans. Such appropriations and the amount of revenue applied in reduction of the accumulated deficiency are detailed in the succeeding table.

REVENUE DEVOTED TO PAYING OFF OLD LIABILITIES, ETC., 1913-14 TO 1922-23.

Year ended 30th June—	ORDINARY REVENUE APPROPRIATED.			Total.
	In reduction of the accumulated revenue deficiency of former years.	In redemption of loans raised in anticipation of revenue.	Towards Redemption Funds to meet outstanding loans.	
	£	£	£	£
1914 ..	13,319	..	204,745	218,064
1915 ..	17,519	..	211,117	228,636
1916 ..	20,327	..	266,599	286,926
1917 ..	18,584	..	296,345	314,929
1918 ..	16,618	25,000	299,578	341,196
1919 ..	14,681	50,000	301,466	366,147
1920 ..	13,725	100,000	359,100	472,825
1921 ..	12,777	100,000	508,344	621,121
1922 ..	60,454	25,000	402,724	488,178
1923 ..	33,170	354,147*	421,166	808,483†
Total (10 years)	221,174	654,147	3,271,184	4,146,505

* Including £129,147 to recoup the Developmental Railways Account.

† The appropriation of the surplus revenue for 1922-23 (£363,949) is included in accordance with the *Surplus Revenue Act No. 3294*.

In addition to the above appropriations there were surpluses in the financial years 1917-18, 1918-19, 1919-20, and 1920-21, which were applied towards payment for public works or to other purposes of a public nature.

Details of the sources of the revenue for the last five financial years are given in the following statement:—

HEADS OF STATE REVENUE, 1918-19 TO 1922-23.

Heads of Revenue.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
	£	£	£	£	£
Federal Government	1,764,239	1,847,085	1,878,449	1,918,967	1,969,772
State Taxation—					
Income Tax ..	928,210	915,551	1,591,198	1,443,209	1,514,256
Stamp Duties ..	581,917	820,618	928,367	930,859	1,116,077
Probate and Succession Duties ..	718,194	881,423	702,468	706,181	697,482
Land Tax ..	324,232	314,217	331,756	372,060	392,594
Licences ..	179,338	213,204	274,020	320,127	335,402
Other ..	13,055	14,754	19,024	18,738	21,235
Public Works and Services—					
Railways ..	6,422,133	8,081,947	9,848,061	10,751,173	11,289,956
Water Supply ..	355,854	384,280	406,666	415,540	447,459
Harbor Trusts, Wharfrage, &c.	101,210	113,049	145,938	156,747	199,379
State Coal Mine ..	292,604	433,977	416,892	591,380	468,855
State Electricity Commission ..	..	..	..	58,111	253,288
Interest on properties transferred to Commonwealth	82,664	82,664	103,789	86,013	80,378
Other ..	116,050	197,637	220,176	190,286	230,841
Land—					
Sales ..	141,693	202,517	333,083	200,346	176,476
Rents ..	143,943	175,116	205,648	232,876	243,887
Interest, &c. ..	186,118	187,731	194,922	173,218	148,890
Other Sources—					
Interest—Discharged Soldiers Settlement Acts ..	20,811	102,785	463,878	827,330	1,013,885
Fees, Fines, &c. ..	236,429	293,281	317,968	332,497	424,345
Tramways Act 2995 (Sec. 88) ..	..	56,783	84,355	98,107	93,010
Sale of Books and Documents (Govt. Printer) ..	63,215	72,380	82,697	90,084	82,504
Agriculture Department ..	91,430	181,753	100,715	72,505	78,017
Miscellaneous ..	280,749	293,432	404,405	371,379	356,689
Total ..	13,044,088	15,866,184	19,054,475	20,357,733	21,634,677
Per Head of Population ..	£ s. d. 9 1 6	£ s. d. 10 11 1	£ s. d. 12 9 5	£ s. d. 13 2 6	£ s. d. 13 12 1

The revenue for 1922-23 represents an increase of £1,276,944 on that for the previous year. There were increases under the following

headings:—Railways, £533,783; State Taxation, £235,872; State Electricity Commission, £195,177; and Interest—Discharged Soldiers Settlement Acts, £186,555. There was a falling off in revenue from the State Coal Mine of £122,525 and from Land of £37,187. The payments to the State by the Federal Government during the last thirteen years have been computed on the basis of a fixed payment of 25s.* per head of population in the State, whereas in preceding years the Federal Government paid over to the State at least three-fourths of the net revenue from Customs and Excise duties.

STATE EXPENDITURE.

The following table shows for the last five years the principal heads of expenditure from State Revenue:—

SUMMARY OF EXPENDITURE FROM STATE REVENUE: 1918-19 TO 1922-23.

Heads of Expenditure.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
	£	£	£	£	£
<i>General Government.</i>					
Governor ..	7,448	6,915	8,777	10,064	10,029
Parliament and Ministry ..	74,059	74,402	103,494	106,147	96,047
Civil Establishment	309,583	349,029	372,560	393,683	396,149
Pensions and Gratuities† ..	438,295	443,726	489,636	503,065	534,009
<i>Law, Order, and Protection.</i>					
Judicial and Legal ..	166,675	194,149	226,608	227,303	236,172
Police ..	366,079	462,303	533,920	533,986	540,037
Penal Establishments and Gaols ..	54,268	61,947	75,981	74,161	80,363
<i>Education, &c.</i>					
State Schools, &c. ..	1,111,276	1,324,595	1,659,663	1,755,834	1,755,395
Technical Schools ..	65,455	69,661	92,001	100,693	182,495
University ..	27,000	31,500	37,975	40,175	49,975
Libraries, &c. ..	26,006	27,672	33,500	34,108	36,261
Art and Science ..	9,136	8,976	9,305	9,630	7,437
<i>Recreation and Health.</i>					
Parks, Gardens, and Public Resorts ..	22,563	31,565	36,939	29,341	26,637
Public Health ..	180,684	190,844	80,848	97,599	93,995
Charitable Institutions, &c. ..	583,008	666,697	818,539	829,514	832,882

* This is subject to a slight reduction on account of a special payment to Western Australia. The reduction in 1922-23 was slightly less than 3d. per head of population. See *Year-Book* 1915-16, page 142.

† For details, see page 54.

SUMMARY OF EXPENDITURE FROM STATE REVENUE: 1918-19 TO
1922-23—continued.

Heads of Expenditure.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
<i>Crown Lands, &c.</i>	£	£	£	£	£
Crown Lands ..	157,557	167,818	207,760	221,565	236,022
Agriculture and Stock	214,001	266,314	244,968	275,107	305,832
Mining	379,556	587,031	538,855	678,785	559,465
<i>Public Works.</i>					
Railways	4,261,082	6,042,136	7,857,380	8,117,070	8,275,909
Water Supply ..	116,153	154,534	165,145	185,656	215,110
Harbors, Rivers, and Lights	92,825	81,436	93,929	98,984	91,438
Roads and Bridges ..	6,001	3,930	6,068	16,948	5,371
Country Roads Board	140,873	158,288	170,638	191,424	229,343
State Electricity Commission ..	..	..	32,015	112,608	144,193
Municipal Endow- ment, &c.* ..	129,459	136,928	118,214	120,081	119,542
Works and Buildings, n.e.l.	50,666	61,610	56,675	65,476	85,588
Interest and Expenses of Public Debt ..	3,087,059	3,249,393	3,882,095	4,579,665	5,355,575
Interest on Advances from Savings Banks	8,638	8,212	7,975	6,737	1,385
Redemption Funds, &c.	301,466	359,100	508,344	402,724	421,166
Discharged Soldiers Concessions Fund	58,011	75,000	75,000	75,000	75,000
<i>Other Expenditure.</i>					
Mint Subsidy ..	25,000	29,778	40,000	33,500	30,000
Fire Brigades ..	33,309	37,164	45,615	48,909	48,215
Immigration ..	7,275	6,870	11,885	18,135	18,896
Licences Reduction Board, including Compensation ..	37,745	69,617	91,063	72,210	60,730
Railway passes to Returned Soldiers	74,673	117,345	10,428	5,325	5,043
Surplus Revenue ap- propriated to "Re- venue Services" ..	274,521	103,716	56,936	..	363,949
Miscellaneous ..	82,002	92,258	140,964	226,067	85,654
Total ..	12,979,407	15,752,459	18,941,698	20,297,279	21,611,309
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Per Head of Population	9 0 7	10 9 7	12 7 11	13 1 9	13 11 9

* Including annual payment from Licensing Fund.

Compared with the previous year the ordinary expenditure of the State for 1922-23 showed an increase of £1,314,030. The heads of expenditure showing the largest increases were—Interest and Expenses

of Public Debt, £775,910; appropriation of Surplus Revenue, £363,949; Railways, £158,833; and Technical Schools £81,802. The chief decrease was in Mining, on which the expenditure was £119,320 less than in the previous year.

In regard to the surpluses of various years which are included in the preceding table under the item "Surplus Revenue Appropriated to Revenue Services" it is interesting to note to what purposes the money so appropriated was applied in subsequent years. Up to 30th June, 1923, the total amount appropriated (exclusive of the 1922-23 surplus, *i.e.*, £363,949) was £2,440,142, of which all but £9,013 had been expended. The following table shows the details of such expenditure for each of the last four years and the total up to 30th June, 1923:—

SURPLUS REVENUE EXPENDITURE.

Service.	1919-20.	1920-21.	1921-22.	1922-23.	Total to 30th June, 1923.
	£	£	£	£	£
Capital Services—					
Railways .. ..	..	..	..	..	250,696
Other .. ..	..	..	..	..	64,170
Revenue Services—					
Railways	50,000	37,098	..	..	497,729
Education—					
State schools ..	46,226	18,908	1,133	6,935	340,692
Other .. ..	..	14,689	45,629	12,914	136,808
Crown Lands (including reclamation, drainage, &c.) .. ..	..	14,874	26	..	149,480
Harbours, rivers, and lights	23,966	413	..	..	117,293
Roads and bridges ..	2,640	4,019	3,049	1,657	111,477
Railway salaries (arrears) .. ..	..	..	70,846	1,195	72,041
Public Health	19,573	2,479	1,151	132	34,621
Charitable Institutions .. ..	..	..	15,351	2,975	105,226
Redemption of Treasury Bonds	100,000	100,000	25,000	..	269,000
Miscellaneous	25,478	41,619	2,176	17,307	281,896
Total	267,883	234,099	164,361	43,115	2,431,129

INCOME TAX.

State Income Tax. An income tax was first imposed in Victoria in 1895, and, although originally fixed for a period of three years, it has, with certain amendments and alterations, been retained and continued from year to year until the present time. Incomes assessed

for tax in any year are those earned, derived, or received in Victoria in the preceding year, and are divided into two classes, viz. :— (1) those derived from personal exertion, and (2) those derived from property. The former consist of salaries, wages, stipends, fees, commissions, bonuses, pensions, superannuation or retiring allowances earned in or derived from Victoria, and all incomes arising or accruing from any profession, trade, or business carried on in Victoria ; whilst the latter comprise incomes from all other sources. In computing the taxable income certain deductions are allowed from the assessable income, the principal of which are outgoings and losses incurred in the production of the income, life assurance premiums not exceeding £50, and calls or contributions actually paid into any mining company registered under the *Companies Act* 1915, or to any company in liquidation.

On incomes not exceeding £800 the following deductions were allowed in the assessments for 1922-23 and 1923-24 :—(a) £30 in respect of each child under 16 years of age; (b) certain expenses during illness ; (c) friendly society contributions ; and (d) funeral and burial expenses not exceeding £20.

For each of the years 1918-19 to 1922-23 the minimum income subject to tax was £201, and the exemption allowed on incomes between £201 and £500 was £150. No exemption was allowed on incomes exceeding £500 or to companies. The rate of tax for individuals on the amount of taxable income from personal exertion up to but not exceeding £500 was 3d. in the £1. Where the taxable income exceeded £500 the rates on incomes from personal exertion were 4d. for every £1 of the taxable amount thereof up to £500, 5d. for every £1 between £500 and £1,000, 6d. for every £1 between £1,000 and £1,500, and 7d. for every £1 over £1,500. The rates on incomes from property were respectively double the rates on incomes from personal exertion. In the case of life assurance companies the tax was 12d. in the £1 on 30 per cent. of the premium income from ordinary business and on 15 per cent. of that from industrial business. In the case of mining companies the tax was 12d. in the £1 on the total amount of dividends declared and debenture interest paid. In the case of other companies liable to tax the rate was 12d. in the £1 on the profits.

For the purpose of simplifying the collection of income tax, the *Income Tax Amendment Act* 1923 was passed on 22nd December, 1923. This Act provides that the Victorian Income Tax Department shall be the collecting authority for the income tax payable in the State under Commonwealth law. In cases where income is received in two or more States, no alteration has been made—the tax being assessed and collected by the Central Office of the Commonwealth Income Tax Department.

In the following table are shown the rates of taxation, also the numbers of assessments, and the amounts of taxable income, and of tax payable in the respective groups for which different rates of taxation are charged :—

INCOME TAX ASSESSMENTS, 1922-23—BASED ON INCOMES OF 1921-22.

Taxable Income.	Rate of Tax per £ of Taxable Income.			Number of Assessments.			
	Personal Exertion.	Property.	Companies.	Personal Exertion.	Property.	Combined Personal Exertion and Property.	Companies.
	d.	d.	d.				
Up to £500 ..	3	6	} 12 }	76,984	3,919	1,088	419
£501 to £1,000	4	8		4,112	1,044	4,201	276
£1,001 to £1,500	5	10		1,033	311	1,486	170
£1,501 to £2,000	6	12		405	126	772	127
£2,001 and upwards	7	14		509	219	1,261	816
Total ..	..	..	..	83,043	5,619	8,808	1,808

Taxable Income.	Taxable Income.				Tax Payable.			
	Personal Exertion.	Property.	Combined Personal Exertion and Property.	Companies.	Personal Exertion.	Property.	Combined Personal Exertion and Property.	Companies.
	£	£	£	£	£	£	£	£
Up to £500 ..	10,059,644	618,373	228,865	79,357	124,367	15,503	3,989	3,917
£501 to £1,000	2,780,613	715,503	2,899,959	209,062	49,243	25,494	58,592	10,272
£1,001 to £1,500	1,247,871	377,334	1,816,182	209,685	24,680	14,979	39,718	10,453
£1,501 to £2,000	297,159	216,893	1,323,742	223,852	15,252	9,502	31,187	11,192
£2,001 and upwards	1,291,515	898,041	4,873,123	12,768,093	42,936	46,917	138,556	638,405
Total ..	15,676,802	2,326,144	11,141,871	13,490,049	256,478	112,395	272,042	674,239

On account of rebates of income tax allowed under section 18 of the *Income Tax Act 1915* the tax payable does not coincide with the amount obtained by applying the rates of tax to the taxable incomes shown in the above statement. The total net incomes of taxpayers who were assessed to pay tax in 1922-23 amounted to £55,429,166, but, as 81,962 taxpayers were allowed the £150 exemption, the amount available for taxation was £43,134,866.

In the succeeding statement particulars of the assessments, incomes, and tax for the last five years are set forth :—

INCOME TAX : 1918-19 TO 1922-23.

	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Number of Assessments :					
Individuals ..	49,889	50,026	73,548	87,486	97,470
Companies ..	1,644	1,448	1,843	1,475	1,808
Total, Distinct Taxpayers ..	51,533	52,074	75,391	88,961	99,278
Taxable Incomes of previous year :					
Individuals ..	£ 16,572,006	£ 17,128,672	£ 28,999,298	£ 30,987,276	£ 29,644,817
Companies ..	8,423,513	8,607,366	14,164,719	11,032,628	13,490,049
Total ..	24,995,519	25,736,038	43,164,017	42,019,904	43,134,866
Tax payable :					
Individuals ..	399,944	383,602	651,126	651,745	640,915
Companies ..	420,995	430,028	707,770	551,265	674,239
Total* ..	820,939	813,630	1,358,896	1,203,010	1,315,154
Per taxpayer :					
Individuals ..	£ s. d. 8 0 4	£ s. d. 7 11 7	£ s. d. 8 17 1	£ s. d. 7 8 9	£ s. d. 6 8 10
Companies ..	256 1 7	296 19 7	384 0 8	373 14 9	372 18 4
Average tax payable in the £ on taxable incomes by—					
Individuals ..	d. 5·79	d. 5·37	d. 5·39	d. 5·05	d. 5·19
Companies ..	12·00	12·00	12·00	12·00	12·00

* For actual collections received, see page 40.

The figures have not been revised, and are subject to a slight adjustment for corrections and payments made in a year subsequent to that to which they relate, but it is unlikely that any such adjustment will materially affect them.

The next table shows the sources of the incomes of taxpayers, for all the principal occupations, under the heads of personal exertion and property.

SOURCES OF INCOMES AND OCCUPATIONS OF TAXPAYERS,
1922-23.

Occupations.	Number of Taxpayers.				Amount of Tax.*			
	Personal Exertion.	Property.	Personal Exertion and Property combined.	Total.	Personal Exertion.	Property.	Total.	Average to each Taxpayer.
1. Professional.					£	£	£	£ s. d.
Civil Servants	2,490	6	149	2,645	8,577	534	9,111	3 8 10
Clergymen ..	798	4	33	835	2,017	132	2,149	2 11 5
Legal Practitioners ..	517	6	214	737	12,071	2,558	14,629	19 16 11
Medical Practitioners ..	433	6	282	721	13,660	2,337	15,997	22 3 8
Police ..	986	..	28	1,014	1,718	74	1,792	1 15 4
Teachers ..	3,091	1	142	3,234	8,162	475	8,637	2 13 4
Various ..	4,459	22	566	5,047	29,499	5,169	34,668	6 17 4
	12,774	45	1,414	14,233	75,704	11,279	86,983	6 2 2
2. Domestic.								
Hotelkeepers	602	9	308	919	13,294	4,071	17,365	18 17 11
Various ..	959	10	123	1,092	4,652	1,050	5,702	5 4 5
	1,561	19	431	2,011	17,946	5,121	23,067	11 9 4
3. Commercial.								
Agents ..	911	18	310	1,239	10,414	3,140	13,554	10 18 9
Brokers ..	112	1	56	169	7,042	872	7,914	46 16 6
Butchers ..	763	3	213	979	7,873	1,848	9,721	9 18 7
Clerks ..	12,311	16	780	13,107	51,677	5,135	56,812	4 6 8
Drapers ..	569	3	151	723	8,751	1,446	10,197	14 2 0
Grocers ..	815	..	139	954	3,979	822	4,801	5 0 7
Merchants ..	633	10	459	1,102	28,963	7,147	36,110	32 15 4
Salesmen ..	5,575	4	400	5,979	22,065	2,414	24,479	4 1 10
Storekeepers	345	2	114	461	4,405	530	4,985	10 16 3
Various ..	3,308	61	565	3,934	23,205	5,877	29,082	7 7 10
	25,342	118	3,187	28,647	168,374	29,281	197,655	6 17 11

* The amount of tax is given to the nearest £, but the average given is based on the actual amount.

SOURCES OF INCOMES AND OCCUPATIONS OF TAXPAYERS, 1922-23—
continued.

Occupations.	Number of Taxpayers.				Amount of Tax.*			
	Personal Exertion.	Property.	Personal Exertion and Property combined.	Total.	Personal Exertion.	Property.	Total.	Average to each Taxpayer.
					£	£	£	£ s. d.
4. Transport.								
Carriers ..	3,622	1	94	3,717	6,900	316	7,216	1 18 9
Engaged in Postal Service ..	1,425	..	13	1,438	2,198	47	2,245	1 11 2
Engaged in Railways ..	5,558	..	64	5,622	8,982	229	9,211	1 12 9
Engaged in Shipping ..	436	1	44	481	2,939	252	3,191	6 12 8
	11,041	2	215	11,258	21,019	844	21,863	1 18 10
5. Industrial.								
Carpenters ..	2,493	10	260	2,763	11,431	1,800	13,231	4 15 9
Engine-drivers	725	..	1	726	1,114	1	1,115	1 10 9
Engineers ..	2,194	3	132	2,329	9,587	571	10,158	4 7 2
Managers ..	1,185	2	226	1,413	12,253	1,363	13,616	9 12 8
Manufacturers	811	7	417	1,235	30,062	3,681	33,743	27 6 5
Printers ..	1,543	2	77	1,622	5,187	610	5,797	3 11 5
Various ..	20,521	10	660	21,191	46,107	3,363	49,470	2 6 8
	29,472	34	1,773	31,279	115,741	11,389	127,130	4 1 3
6. Primary Producers.								
Engaged in Agriculture, &c.—								
Dairy Farmers	77	1	38	116	867	277	1,144	9 17 3
Farmers ..	577	42	651	1,270	23,246	3,178	26,424	20 16 1
Graziers ..	211	55	305	571	17,540	9,953	27,493	48 2 11
Various ..	524	11	108	643	3,130	742	3,872	6 0 5
	1,389	109	1,102	2,600	44,783	14,150	58,933	22 13 3

* The amount of tax is given to the nearest £, but the average given is based on the actual amount.

SOURCES OF INCOMES AND OCCUPATIONS OF TAXPAYERS, 1922-23—
continued.

Occupations.	Number of Taxpayers.				Amount of Tax.*			
	Personal Exertion.	Property.	Personal Exertion and Property combined.	Total.	Personal Exertion.	Property.	Total.	Average to each Taxpayer.
6. Primary Producers— continued.								
Engaged in Mining—					£	£	£	£ s. d.
Legal Managers ..	14	..	2	16	132	32	164	10 5 3
Miners ..	244	1	1	246	381	49	430	1 14 11
Mining Managers ..	58	..	7	65	444	37	481	7 8 0
Various ..	96	1	6	103	583	34	617	5 19 9
	412	2	16	430	1,540	152	1,692	3 18 8
	1,801	111	1,118	3,030	46,323	14,302	60,625	20 0 1
7. Indefinite..	1,052	5,290	670	7,012	10,399	113,193	123,592	17 12 6
8. Companies.								
Life Assurance	18	..	..	18	34,270	..	34,270	1,903 18 2
Mining	5	..	..	5	2,101	..	2,101	420 2 7
Other ..	1,785	..	..	1,785	637,868	..	637,868	357 6 10
	1,808	..	..	1,808	674,239	..	674,239	372 18 4
Total ..	84,851	5,619	8,808	99,278	1,129,745	185,409	1,315,154	13 4 11

* The amount of tax is given to the nearest £, but the average given is based on the actual amount.

Of the total taxpayers (exclusive of companies), 85 per cent. gained their incomes from personal exertion, 6 per cent. from property, and 9 per cent. from personal exertion combined with property. Occupations showing the highest average tax were—Graziers, £48 2s. 11d.; merchants, £32 15s. 4d.; and manufacturers, £27 6s. 5d.; while those showing the lowest were—Miners, £1 14s. 11d.; railway employees, £1 12s. 9d.; postal employees, £1 11s. 2d.; and engine-drivers, £1 10s. 9d. The total tax levied on individuals was £455,506 on income derived from personal exertion, and £185,409 on income from property, while companies, whose incomes are classified under personal exertion, were taxed to the extent of £674,239.

The taxable incomes of taxpayers in conjunction with occupations are given in the following statement :—

TAXABLE INCOMES AND OCCUPATIONS OF TAXPAYERS,
1922-23.

Occupations.	Number of Taxpayers.				Amount of Tax.			
	With taxable incomes from—			Total.	On taxable incomes from—			Total.
	£51 to £500.	£501 to £1,000.	£1,001 and over.		£51 to £500.	£501 to £1,000.	£1,001 and over.	
1. Professional.								
Civil Servants ..	2,324	274	47	2,645	4,305	3,269	1,537	9,111
Clergymen ..	779	53	3	835	1,411	658	80	2,149
Legal Practitioners	344	160	233	737	722	2,225	11,682	14,629
Medical Practitioners	176	263	282	721	464	3,588	11,945	15,997
Police ..	988	24	2	1,014	1,423	295	74	1,792
Teachers ..	3,000	204	30	3,234	5,201	2,341	1,095	8,637
Various ..	3,876	824	347	5,047	7,696	10,360	16,612	34,668
	11,487	1,802	944	14,233	21,222	22,736	43,025	86,983
2. Domestic.								
Hotelkeepers ..	323	312	284	919	752	4,189	12,424	17,365
Various ..	918	117	57	1,092	1,486	1,489	2,727	5,702
	1,241	429	341	2,011	2,238	5,678	15,151	23,067
3. Commercial.								
Agents ..	791	284	164	1,239	1,656	4,007	7,891	13,554
Brokers ..	65	35	69	169	157	492	7,265	7,914
Butchers ..	638	205	136	979	1,006	2,691	6,024	9,721
Clerks ..	11,476	1,150	481	13,107	20,625	14,188	21,999	56,812
Drapers ..	477	147	99	723	880	1,903	7,414	10,197
Grocers ..	783	122	49	954	1,254	1,748	1,799	4,801
Merchants ..	405	245	452	1,102	953	3,389	31,768	36,110
Salesmen ..	5,253	542	184	5,979	9,455	6,633	8,391	24,479
Storekeepers ..	293	93	75	461	652	1,248	3,085	4,985
Various ..	3,124	494	316	3,934	5,233	6,763	17,086	29,082
	23,305	3,317	2,025	28,647	41,871	43,062	112,722	197,655
4. Transport.								
Carriers ..	3,597	83	37	3,717	4,599	1,050	1,567	7,216
Engaged in Postal Service ..	1,416	22	..	1,438	2,000	245	..	2,245
Engaged in Railways	5,523	90	9	5,622	7,862	1,000	349	9,211
Engaged in Shipping	409	26	46	481	686	337	2,168	3,191
	10,945	221	92	11,258	15,147	2,632	4,084	21,863
5. Industrial.								
Carpenters ..	2,443	197	123	2,763	3,724	2,592	6,915	13,231
Engine-drivers ..	724	2	..	726	1,097	18	..	1,115
Engineers ..	2,059	184	86	2,329	3,963	2,293	3,902	10,158
Managers ..	908	332	173	1,413	2,005	4,349	7,262	13,616
Manufacturers ..	545	322	368	1,235	1,090	4,520	28,123	33,743
Printers ..	1,496	86	40	1,622	2,505	1,077	2,215	5,797
Various ..	20,272	632	287	21,191	28,548	7,927	12,995	49,470
	28,447	1,755	1,077	31,279	42,932	22,786	61,412	127,130

TAXABLE INCOMES AND OCCUPATIONS OF TAXPAYERS, 1922-23—
continued.

Occupations.	Number of Taxpayers.				Amount of Tax.			
	With taxable incomes from—			Total.	On taxable incomes from—			Total.
	£51 to £500.	£501 to £1,000.	£1,001 and over.		£51 to £500.	£501 to £1,000.	£1,001 and over.	
	£	£	£	£	£	£	£	
6. Primary Producers.								
Engaged in Agriculture, &c.—								
Dairy Farmers	68	33	15	116	147	419	578	1,144
Farmers ..	381	363	526	1,270	845	4,767	20,812	26,424
Graziers ..	201	96	274	571	485	1,549	25,459	27,493
Various ..	531	80	32	643	923	1,119	1,830	3,872
	1,181	572	847	2,600	2,400	7,854	48,679	58,933
Engaged in Mining—								
Legal Managers	10	4	2	16	16	69	79	164
Miners ..	243	2	1	246	312	27	91	430
Mining Managers ..	50	11	4	65	103	165	213	481
Various ..	96	3	4	103	150	39	428	617
	399	20	11	430	581	300	811	1,692
	1,580	592	858	3,030	2,981	8,154	49,490	60,625
7. Indefinite	4,986	1,241	785	7,012	17,462	28,282	77,848	123,592
8. Companies.								
Life Assurance	2	1	15	18	15	29	34,226	34,270
Mining ..	2	3	5	10	7	..	2,094	2,101
Other ..	415	275	1,095	1,785	3,895	10,243	623,730	637,868
	419	276	1,113	1,808	3,917	10,272	660,050	674,239
Total ..	82,410	9,633	7,235	99,278	147,770	143,602	1,023,782	1,315,154

Of the number of taxable incomes assessed, about 83 per cent. did not exceed £500, 10 per cent. were from £501 to £1,000, and 7 per cent. were over £1,000; but the tax levied on these incomes formed 11, 11, and 78 per cent. respectively of the total. A perusal of the above table shows that the occupational group which contributes the largest amount of tax is that of clerks, 13,107 of whom were taxed £56,812, and that of these 481 had taxable incomes of over £1,000, and were called upon to pay £21,999. The group paying the next largest amount of tax is that of merchants, 1,102 of whom were taxed £36,110. Of these, 452 had taxable incomes of over £1,000, and were called upon to pay £31,768.

In addition to the State Income Tax there is a Commonwealth Income Tax, which was first imposed on incomes earned in the financial year 1914-15. The tax collected by the Commonwealth Government, in the year 1922-23, amounted to £12,904,518, and it is estimated that the payments made on Victorian income would be £3,485,000.

LAND TAX.

State Land Tax.

The State Land Tax Act of 1915 provides for a tax on the unimproved value of land and for the assessment of land and other purposes. Unimproved value for the purposes of this Act means the sum which might be expected to be realized at the time of valuation if the land were offered for sale on such terms as a seller might in ordinary circumstances be expected to require, and assuming that the improvements (if any) had not been made. The nature of the taxation is a duty upon land for every pound sterling of the unimproved value thereof, as assessed under the Act, at a rate declared for each year by Act of Parliament. Previously to 1923 the rate of tax was one halfpenny on every pound sterling of the unimproved value of all land having an unimproved value exceeding £250, but for the year mentioned an increased amount was payable—a super-tax of 5 per cent. having been added to the old rate. No tax is chargeable when the total unimproved value of all lands owned does not exceed £250. Where the assessed unimproved value exceeds the amount of exemption (£250) the exemption diminishes at the rate of £1 for every £1 of such excess, so as to leave no exemption when the unimproved value amounts to, or exceeds £500.

The Assessment Roll on 31st December of each of the last five years showed the following particulars:—

			Taxpayers.		Net Tax Payable.	
			No.		£	
1919	89,363	..	310,059
1920	94,463	..	317,174
1921	103,237	..	335,566
1922	108,269	..	353,970
1923	114,614	..	392,434

Commonwealth Land Tax.

In addition to the State Land Tax there is upon the lands in the State a Commonwealth Land Tax, which was assented to on 17th November, 1910. The following particulars of land tax assessment for Victoria for the financial year 1920-21 have been furnished by the Federal Commissioner of Land Tax. The estates assessed numbered 4,326, of which 3,829 belonged to resident and 497 to absentee taxpayers. The unimproved value of these estates, as ascertained by the Department, was £51,230,691, comprising town land and country land of the following respective values:—£19,792,278 and £31,438,413. The tax payable was £460,965. Crown cases have now been removed from the scope of the tax.

RAILWAY REVENUE AND EXPENDITURE.

A summary of the results of the working of the Victorian Railways during the last five years is given in the appended statement. The figures have been taken from the Railway Report and represent the actual business done each year, not the receipts and payments brought to account by the Treasury within the year. They include particulars of the St. Kilda-Brighton and Sandringham-Black Rock Electric Street Tramways.

**Victorian
Railways,
financial
results.**

RAILWAY BALANCES : 1918-19 TO 1922-23.

Item.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
	£	£	£	£	£
Gross Revenue ..	6,476,076	8,287,063	9,851,909	10,857,853	11,413,782
Working Expenses ..	4,323,183	6,112,822	7,911,834	8,092,565	8,238,744
Pensions, Gratuities, &c. ..	151,588	152,932	182,036	194,581	203,470
Net Receipts ..	2,001,305	2,021,309	1,758,039	2,570,707	2,971,568
Interest on Cost of Construction ..	2,164,902	2,234,202	2,409,674	2,589,816	2,951,385
Deficit ..	163,597	212,893	651,635	19,109	20,183*

* Surplus.

RAILWAY ACCIDENT AND FIRE INSURANCE FUND.

The establishment of a permanent fund to be kept at the Treasury, and called the Railway Accident and Fire Insurance Fund, was effected by provision in the *Railways Act 1907* (now the *Railways Act 1915*). This provision requires the Railway Commissioners to pay into such fund the sum of 10s. for every £100 sterling of the revenue of the Victorian Railways until the fund amounts to £100,000, at which amount it is to be maintained. During the year ended 30th June, 1923, the receipts of the fund amounted to £84,760, whilst the payments made therefrom were £4,148 for compensation, damages, costs, &c., to persons other than employees injured; £10,739 as compensation on account of injuries to or deaths of employees; and £15,971 as compensation for goods or parcels lost, and for damages caused by fire, &c.

PENSIONS AND GRATUITIES.

The bestowal of pensions or superannuation allowances was abolished on 24th December, 1881, in the case of persons, except Supreme Court Judges, police, and railway employees, entering the Public Service after that date. Pensions to railway employees were abolished on 1st November, 1883.

During the year 1922-23, the Government expended on pensions, gratuities, etc., the sum of £534,009. Of this amount, £440,219 was

**Cost of
Pensions and
Gratuities.**

spent on ex-public servants who had contributed nothing towards their pensions. The remainder represents payments from State revenue to the Police Superannation Fund. The following table gives details of the expenditure for the year 1922-23:—

**GOVERNMENT EXPENDITURE ON PENSIONS,
GRATUITIES, ETC., 1922-23.**

Division of Service.	Special Appropriations.		Annual Votes.		Total.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.
		£		£		£
Education Department	1,023	121,868	10	261	1,033	122,129
Railways	1,513	187,060	107	6,285	1,620	193,345
Defence	3	308	..	..	3	308
Lunacy	27	3,240	..	..	27	3,240
Under Constitution Act	1	1,500	..	..	1	1,500
Officers of Parliament	1	509	..	..	1	509
County Court Judges ..	1	750	..	..	1	750
Under Civil Service Act 160	177	40,595	..	..	177	40,595
Under Public Service Act 773	149	34,876	..	..	149	34,876
Commonwealth Service —Officers of trans- ferred Departments	311	30,924	..	..	311	30,924
Various allowances ..	..	..	19	924	19	924
Total Pensions and Superannuation Allowances ..	3,206	421,630	136	7,470	3,342	429,100
Compensations and Gra- tuities	5	1,024	20	10,095	25	11,119
Police Superannuation Fund—						
Subsidy .. .. .	..	2,000	..	58,000	..	60,000
Tran-fer ed from Licensing Fund ..	..	..	..	23,000	..	23,000
Fines .. .. .	..	..	..	10,790	..	10,790
Total amount ..	..	424,654	..	109,355	..	534,009

This fund is maintained by an annual subsidy of £2,000 from the Consolidated Revenue; by a moiety of the fines inflicted by the Courts of Petty Sessions; by a deduction, not exceeding $2\frac{1}{2}$ per cent., from the pay of the members of the Force entitled to pensions; by transfers from the Licensing Fund under the provisions of Act No. 2855; and, should the foregoing sources prove insufficient, by a further grant in aid from the Consolidated Revenue.

During the year 1922-23 the total receipts of the fund amounted to £97,688, consisting of £93,790 from Government revenue as shown in

the preceding table, £3,829 from members of the force, and £69 balance brought forward. Payments out of the Fund amounted to £97,620 (498 pensions for £80,116, and 28 gratuities for £17,504), thus leaving a balance of £68 at 30th June, 1923.

Pensions are payable out of this fund only to those members of the Police Force who joined prior to the 25th November, 1902.

This Act, which came into operation on 1st January, 1924, provides for pensions to those members of the Police Force who have joined it since 25th November, 1902, as well as to persons who may enter the Force in the future. Retirement is compulsory for senior constables and constables on attaining age 55; for sergeants, inspectors, and superintendents on attaining age 60, and for the Chief Commissioner on attaining age 65, except that in special cases any such person may be required to serve for a further period not exceeding five years. The ordinary pension payable on attainment of the retiring age varies from one-fourth of the annual pay at the date of retirement after 15 years' service to two-thirds of such annual pay after 30 or more years' service. Retirement on a medical certificate entitles a member of the Force to a pension for life after completion of 10 years' service, and to a gratuity after a service of less than 10 years. Except in the cases mentioned below, the amount of the pension which is payable on retirement on a medical certificate is, for like durations of service of not less than 15 years, the same as the amount of an ordinary pension payable on attainment of the retiring age. If a member of the Force is incapacitated for the performance of duty owing to an injury received in the execution of duty without his own default, he shall be entitled to a special pension for life which, except in a few instances, is larger than the ordinary pension and, in certain specified circumstances, is the full amount of salary. Provision is made for widows and children, the ordinary pension for a widow being approximately from £40 to £60 per annum, and the allowance for children under sixteen years of age from £10 to £15 per annum.

A deduction of $2\frac{1}{2}$ per cent. per annum is made from the pay of every member of the Force. When a member leaves the Force of his own accord after having completed 25 years' service or by reason of his having reached the age for compulsory retirement (whichever first happens) and does not receive a pension or gratuity, there shall be paid to him the whole of the rateable deductions which have been made from his pay without any interest thereon.

All pensions, gratuities, and allowances to members or their dependants shall be paid out of a special fund to be kept at the Treasury and to be known as the Police Pensions Fund. Into this fund shall be paid (a) an annual amount of £50,000 from Consolidated Revenue, (b) the deduction of $2\frac{1}{2}$ per cent. from the pay of members which is referred to above, (c) all interest on surplus moneys in the fund invested as provided, and (d) all other moneys payable into the fund under the Act or any future Act.

**Police Pensions
Act, No. 3316
of 1923.**

All surplus moneys are to be invested in Victorian Government stock or debentures in the name of the Treasurer, and shall carry interest at the rate of 5 per cent. per annum.

The Government Statist shall make an actuarial valuation of the fund at least once in three years, and shall certify each year what additional sum, if any, is required to be paid into the fund from Consolidated Revenue in order to provide that the assets shall be sufficient to meet the liabilities.

In the year 1922-23, 23 pensions amounting to £2,454 were paid out of the Port Phillip Pilot Sick and Superannuation Fund, towards which, however, the Government does not contribute, it being maintained by deductions from pilots' earnings and the annual income derived from investment of the moneys belonging to the fund.

**Port Phillip
Pilot Fund.**

**South Africa
Contingent
pensions.**

Pensions to members and relatives of members of the South African war contingents amounted to £649 in 1922-23.

EXPENDITURE ON EDUCATION.

During the year 1922-23 the State expended on education generally the sum of £2,549,061, including £321,694 from Loan funds. The former amount includes the interest payable on loan moneys expended on buildings and expenditure in connexion with pensions and gratuities. The expenditure in each of the last five years, as detailed in the report of the Minister of Public Instruction, was as follows:—

STATE EXPENDITURE ON EDUCATION: 1918-19 TO 1922-23.

Expenditure on—	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Education—	£	£	£	£	£
Primary	834,461	995,171	1,232,440	1,283,499	1,324,144
Intermediate	6,901	11,286	20,175	27,810	33,360
Secondary (including Scho'arships)	73,998	88,967	107,498	110,397	119,624
Special Subjects	30,540	37,231	49,214	56,930	63,038
Training of Teachers	18,049	21,873	26,353	26,768	26,797
Administration	50,308	55,436	63,252	66,549	69,335
Buildings (State Schools).. .. .	87,273	131,265	176,099	322,471	349,562
Technical Schools (including Building Grants)	123,466	127,544	192,215	229,261	223,978
University (including Build- ing Grants)	32,874	38,584	67,498	113,111	117,197
Interest payable on Loan Moneys expended on Buildings	57,853	55,071	64,404	82,369	97,582
Miscellaneous (including Pensions and Gratuities)	114,854	116,336	118,003	120,694	124,444
Total	1,430,577	1,678,764	2,117,151	2,439,659	2,549,061*
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Per head of population	0 19 11	1 2 4	1 7 9	1 11 6	1 12 1

* In addition, £29,813 paid by students in fees during the calendar year 1922, was expended on technical education.

The foregoing statement deals with the expenditure by the State on education generally, and includes expenditure connected with the University and technical schools, but the statement which follows relates to that portion of the expenditure which has been incurred in connexion with the State schools of Victoria, primary and secondary, excluding the amounts expended on technical schools and scholarships, in each of the last five years:—

**EXPENDITURE IN CONNEXION WITH STATE SCHOOLS:
1918-19 TO 1922-23.**

Items.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
	£	£	£	£	£
Education:					
Primary—					
Day Schools, including Central Schools	829,127	989,654	1,226,049	1,276,840	1,317,224
Night Schools	64	64	44	38	5
Schools for Deaf Mutes and Blind and Feeble-minded Children	3,231	3,405	4,391	4,612	5,571
Grant to Collingwood Play-ground	100	100	100	100	100
Subsidized Schools	639	648	556	609	214
Free Kindergarten Union	1,000	1,000	1,000	1,000	1,000
State Schools Horticultural Society	300	300	300	300	..
	834,461	995,171	1,232,440	1,283,499	1,324,144
Intermediate—					
Higher Elementary Schools	6,548	10,926	19,791	27,134	32,950
Evening Continuation Classes	353	360	385	476	410
Secondary—					
High Schools	65,650	79,352	97,785	101,535	112,291
	72,551	90,638	117,961	129,145	145,651
Special Subjects—					
Domestic Arts	15,623	18,464	24,789	28,025	29,228
Manual Training	12,163	15,364	19,460	21,784	24,998
Physical Training	729	714	1,125	1,302	1,212
Medical Inspection	1,522	2,147	2,893	4,690	5,541
Dressmaking and Needlework	253	252	379	404	388
School Gardening	250	200	568	725	891
Singing .. .. .	..	..	..	..	780
	30,540	37,231	49,214	56,930	63,038
Training of Teachers—					
Teachers' College	10,352	12,753	16,023	16,155	17,212
Miscellaneous	7,697	9,120	10,330	10,613	9,585
	18,049	21,873	26,353	26,768	26,797
Administration	50,308	55,436	63,252	66,549	69,335
Buildings—					
Primary Schools	66,140	98,163	126,112	275,205	296,858
(expend by School Committees)	6,263	9,770	11,112	11,201	13,199
Rents	5,300	6,402	6,999	8,234	6,876
Higher Elementary Schools	3,812	3,278	18,656	12,950	10,342
High Schools	5,758	13,562	13,220	14,881	22,287
	87,273	131,265	176,099	322,471	349,562
Interest payable on Loan Moneys expended on State School Buildings	57,769	54,987	62,597	75,292	84,958
Pensions and Gratunities	114,799	116,284	117,950	120,644	123,594
Total	1,265,750	1,502,885	1,845,866	2,081,298	2,187,079

The following return summarizes the expenditure and revenue connected with the Victorian State Schools, and shows the cost per scholar in average attendance for each of the last ten years :—

COST OF INSTRUCTION IN VICTORIAN STATE SCHOOLS :
1913-14 TO 1922-23.

Year.	Expenditure by the State.	Revenue of the Education Department.	Net Expenditure.	Number of Scholars— Average Attendance.	Cost per Scholar to the State.
	£	£	£		£ s. d.
1913-14 ..	1,259,990	26,175	1,233,815	163,200	7 11 3
1914-15 ..	1,426,408	28,612	1,397,796	166,407	8 8 0
1915-16 ..	1,329,272	26,403	1,302,869	167,989	7 15 1
1916-17 ..	1,229,456	28,477	1,200,979	167,588	7 3 4
1917-18 ..	1,211,346	30,577	1,180,769	167,653	7 0 10
1918-19 ..	1,265,750	21,666	1,244,084	171,640	7 5 0
1919-20 ..	1,502,885	23,917	1,478,968	168,314	8 15 9
1920-21 ..	1,845,866	26,520	1,819,346	167,627	10 17 1
1921-22 ..	2,081,298	25,439	2,055,859	177,487	11 11 8
1922-23 ..	2,187,079	25,450	2,161,629	183,045	11 16 2

This table includes the amount payable each year as interest on loan moneys expended on State School buildings.

STATE UNDERTAKINGS.

The net result of the undermentioned State undertakings during the financial year 1922-23, as disclosed in the Auditor-General's report, was a loss of £9,444. Details are as follows :—

Undertaking.	Loss.	Profit.
	£	£
State Coal Mine, Wonthaggi	5,312	..
Brown Coal Mine, Morwell .. .. .	..	6,987
Victoria Dock Cool Store	23,839	..
Maffra Sugar Factory .. .. .	..	13,290
State Accident Insurance Office .. .. .	..	14,306
Newport Timber Seasoning Works	122	..
State Saw Mill, Nayook	1,409	..
Lighterage, &c., Explosives .. .. .	..	1,535
Wire Netting Factory, Pentridge	2,317	..
Experimental Farms (net)	9,989	..
High School Farms (net)	2,574	..
	45,562	36,118
Net Loss 1922-23 .. .. .	..	9,444
	45,562	45,562

COMMONWEALTH FINANCE IN VICTORIA.

Commonwealth Finance. A statement of the Commonwealth revenue and expenditure in Victoria for the last five years is given below :—

COMMONWEALTH REVENUE AND EXPENDITURE IN THE STATE OF VICTORIA (ESTIMATED) : 1918-19 TO 1922-23.

Heads of Revenue and Expenditure.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
REVENUE.	£	£	£	£	£
Customs Duties ..	4,010,055	4,371,405	7,345,609	5,835,394	7,648,521
Excise Duties ..	1,631,074	1,963,915	2,525,847	2,644,585	2,700,312
Income Tax* ..	2,527,000	3,601,000	4,203,000	4,533,000	3,485,000
Post, Telegraph, &c.	1,621,218	1,803,551	2,272,719	2,555,883	2,698,251
War-time Profits Tax*	327,000	474,000	495,000	280,000	72,000
Land Tax* ..	534,000	486,000	492,436	525,000	464,000
Succession Duties* ..	370,000	619,000	435,873	367,000	434,000
War Postage ..	132,000	215,000	56,000	..	..
Entertainments Tax	110,815	176,411	203,769	222,210	208,240
Miscellaneous ..	1,594,838	1,108,718	1,238,747	1,578,928	1,231,676
Total ..	12,858,000	14,819,000	19,269,000	18,542,000	18,942,000
EXPENDITURE.					
Trade and Customs..	232,400	282,860	272,500	216,000	388,000
Post, Telegraph, &c.	1,337,453	1,538,872	1,901,864	2,427,143	2,434,584
Payment to the State Government ..	1,764,239	1,847,085	1,878,449	1,918,967	1,969,772
Other Expenditure (including Defence, War and Repatriation Services, &c.)	8,976,908	10,981,183	14,109,187	13,663,890	13,294,644
Total ..	12,311,000	14,650,000	18,162,000	18,226,000	18,087,000

* Estimated.

COMMONWEALTH AND STATE REVENUE AND EXPENDITURE.

The total Government revenue and expenditure within the State of Victoria is obtained by combining State and Commonwealth receipts and expenditure. This has been done in the following table, in which are given figures relating to the principal items:—

REVENUE AND EXPENDITURE OF COMMONWEALTH AND STATE COMBINED: 1918-19 TO 1922-23.

Hheads of Revenue and Expenditure.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
REVENUE.					
	£	£	£	£	£
Customs and Excise	5,641,129	6,335,320	9,871,456	8,479,979	10,348,833
Post, Telegraph, &c.	1,621,218	1,803,551	2,272,719	2,555,883	2,698,251
State Railways ..	6,422,133	8,081,947	9,848,061	10,751,173	11,289,956
State Taxation ..	2,744,946	3,159,767	3,846,833	3,791,174	4,077,046
Other sources ..	7,708,423	9,457,514	10,605,957	11,402,557	9,744,365
Total Revenue..	24,137,849	28,838,099	36,445,026	36,980,766	38,158,451
EXPENDITURE.					
Trade and Customs	232,400	282,860	272,500	216,000	388,000
Post, Telegraph, &c.	1,337,453	1,538,872	1,901,864	2,427,143	2,434,584
State Railways ..	4,261,082	6,042,136	7,857,380	8,117,070	8,275,909
Public Instruction*..	1,203,731	1,425,756	1,789,639	1,896,702	1,987,865
Public Debt (Victoria)—					
Interest and Ex-					
penses ..	3,087,059	3,249,393	3,882,095	4,579,665	5,355,575
Redemption ..	301,466	359,100	508,344	402,724	421,166
Other Expenditure..	13,102,977	15,657,257	19,013,427	18,965,008	18,416,984
Total Expenditure	23,526,168	28,555,374	35,225,249	36,604,312	37,280,083

* Primary and Technical Schools, and University.

COMMONWEALTH, STATE, AND LOCAL REVENUE AND EXPENDITURE.

A statement of the ordinary revenue and expenditure and of the loan expenditure of the Federal Government in Victoria, also of the State Government and of municipal and local bodies, during the last five years, will be found in the next table. From the totals of revenue and

Common-
wealth,
State, and
Local
Finance.

expenditure the amounts received by one body from another have been deducted.

COMMONWEALTH, STATE, AND LOCAL REVENUE AND
EXPENDITURE : 1919 TO 1923.

	Financial Year ended in—				
	1919.	1920.	1921.	1922.	1923.
<i>Revenue.</i>	£	£	£	£	£
Government—					
Federal	12,858,000	14,819,000	19,269,000	18,542,000	18,493,546
State	11,220,153	13,964,354	17,129,995	18,404,028	19,630,167
Municipal	2,713,540	3,081,726	3,460,727	3,890,390	4,362,983
Harbor Trusts ..	318,373	362,439	451,784	537,853	609,568
Melbourne and Metro- politan Board of Works	783,043	854,992	877,441	931,784	1,101,307
Fire Brigades Boards	43,838	51,906	68,865	75,262	71,999
Total	27,936,947	33,134,417	41,257,812	42,381,317	44,269,570
 <i>Ordinary Expenditure.</i>					
Government—					
Federal	12,311,000	14,650,000	18,162,000	18,226,000	17,638,546
State	11,155,472	13,850,629	17,017,218	18,343,574	19,606,799
Municipal	2,751,303	2,960,882	3,466,396	3,804,947	4,089,749
Harbor Trusts ..	325,247	347,335	410,350	450,171	503,106
Melbourne and Metro- politan Board of Works	750,700	751,588	804,096	908,934	959,961
Fire Brigades Boards	45,278	50,171	70,318	77,456	73,168
Total	27,339,000	32,610,605	39,930,378	41,811,032	42,871,329

COMMONWEALTH, STATE, AND LOCAL REVENUE AND EXPENDITURE :
1919 TO 1923—continued.

	Financial Year ended in—				
	1919.	1920	1921.	1922.	1923.
<i>Loan Expenditure.</i>	£	£	£	£	£
Government—					
Federal* ..	18,095,454	13,502,000	10,245,000	3,613,000	2,020,000
State	2,932,521	7,601,266	11,095,158	11,804,990	8,764,306
Municipal	194,627	259,498	480,166	702,310	885,303
Harbor Trusts ..	179,030	158,311	188,779	201,534	270,032
Melbourne and Metro- politan Board of Works	236,263	289,930	423,692	665,578	596,841
Fire Brigades Boards	8,344	7,046	23,782	25,205	1,443
Total	21,646,239	21,818,051	22,456,577	17,012,617	12,537,925
 <i>Expenditure—Grand Total</i>	 48,985,239	 54,428,656	 62,386,955	 58,823,699	 55,409,254
 Per Head of Popula- tion—					
Revenue	£ s. d. 19 8 8	£ s. d. 22 0 10	£ s. d. 27 0 0	£ s. d. 27 6 6	£ s. d. 27 16 9
 Ordinary Expen- diture	 19 0 5	 21 13 10	 26 2 6	 26 19 2	 26 19 2
Loan Expenditure	15 1 2	14 10 3	14 14 0	10 19 5	7 17 8

* Estimated.

PUBLIC DEBT.

The following statement shows the result of loan transactions including Treasury Bonds in aid of revenue to 30th June, 1923, with the exception of Melbourne and Hobson's Bay Railway Debentures taken over, which are not treated in the Treasury accounts as a loan raised by the State :—

LOANS RAISED AND REDEEMED TO 30th JUNE, 1923.

		£
Cash received .. .. .	.. .. .	217,739,742
Discount and expenses after deducting premiums .. .. .	.. .. .	2,703,548
		<hr/>
Securities issued .. .. .	.. .. .	220,443,290
Loans redeemed by—	£	
Redemption loans	88,430,157	
Melbourne and Metropolitan Board's repayments	1,451,752	
Revenue (Special appropriations and Surplus Revenue)	4,054,200	
Redemption Funds	5,963,781	
Closer Settlement Fund	1,264,684	
Coal Mines Sinking Fund	7,050	
Discharged Soldiers' Concessions Fund	485,600	
Discharged Soldiers' Settlement Fund	168,336	
Discount (securities purchased under par)	56,701	
		<hr/>
		101,882,261
		<hr/>
Loans outstanding on 30th June, 1923 .. .. .	.. .. .	118,561,029*

It will be seen that, upon the transactions to date, securities representing £220,443,290 have been issued, and that the amount of cash received has been £217,739,742. This means that the State has received £98 15s. 6d. in cash for every £100 bond given.

Excluding London debentures for £388,100 taken over with the Melbourne and Hobson's Bay Railway and since paid off, the total amount of the loans which have been raised in London at varying rates of interest is £96,624,607.

The amount which has been paid off by means of new loans is £47,384,723, and by means of appropriations from revenue, &c., £3,009,982; a sum of £543,905 has been transferred to the Melbourne register, leaving a balance due in London on 30th June, 1923, of £45,685,997, consisting of debentures amounting to £2,888,200, and inscribed stock, £42,797,797. The following table gives particulars respecting the various loans which have been raised in London, together with the average prices obtained after deducting flotation expenses as well as accrued interest, and the rates of interest to which such prices are equivalent :—

* There are, in addition to this amount, the overdue debentures for £1,000, which are referred to further on.

LOANS FLOATED IN LONDON.

When Raised.	Debentures or Stock.				Average Price Obtained per £100 Debenture Stock or Bond.		Actual Rate of Interest per cent.
	Currency.		Amount Sold.	Rate of Interest.	Ex Accrued Interest.	Ex Interest and Expenses. (Net Proceeds.)	
	When Due.	No. of Years.					
			£	Per cent.	£ s. d.	£ s. d.	£ s. d.
1855	1857-72	2-17	500,900	6	..	..	..
1856	1872-74	16-18	65,200	6	..	..	..
1859	1883	24	1,000,000	5	105 1 11½	103 18 11½	5 14 0
	"	"	750,000	6	107 17 7½	106 14 7½	5 9 10
1860	"	23	1,837,500	6	104 17 10½	103 14 10½	5 14 1
	1884	"	812,500	6	103 1 6½	101 18 6½	5 17 0
1861	1885	24	1,000,000	6	102 19 7	101 16 7	5 17 2
1862	"	23	1,600,000	6	100 8 11½	99 5 11½	6 1 1
1866	1891	25	850,000	6	98 4 2½	97 1 2½	5 4 3
1869	1894	"	588,600	5	100 17 6½	99 14 6½	5 0 5
1870	"	24	1,518,400	5	90 2 7	88 19 7	4 15 5
1874	1899	25	1,500,000	4	94 16 10½	93 18 11½	4 8 1
1876	1901	"	500,000	4	..	..	..
	"	"	2,500,000	4	..	..	..
1878	1904	26	457,000	4	97 17 5½	96 19 2½	4 14 0
1879	"	25	3,000,000	4½	103 3 8½	102 5 11	4 6 11
1880	"	24	2,000,000	4½	100 0 0	98 2 9	4 18 6
1915	1920-25	5-10	784,700	4½	97 9 4½	97 9 4½	5 15 1
1916	1920-22	4-6	550,000	5½	97 9 4½	97 9 4½	5 15 1
1916	1920-22	4-6	100,000	5½	95 18 7½	95 18 7½	5 14 8
1917	1927	11	1,109,481	5½	95 17 8½	95 17 8½	5 14 9
1917	1927	10	194,519	5½	100 0 0	98 5 0	5 13 6
1919	1924-34	5-15	149,600	5½	..	..	..
1922	"	"	650,000*	4	..	..	..
			Stock.				
1883	1907	24	4,000,000	4	98 16 8½	97 13 7½	4 3 0
"	1908	"	2,000,000	4	97 14 1½	96 10 11½	4 4 6
1884	1918	29	1,957,500	4	98 5 7	97 2 8½	4 3 3
	1918-22	34	2,042,500	4	98 18 6½	97 15 9½	4 2 5
1885	1919	34	3,180,620	4	105 12 3½	104 9 0	3 15 5
	"	"	819,380	4	102 5 6½	101 2 9	3 18 9
1886	1920	"	1,500,000	4	108 1 1½	106 18 0½	3 12 9
1887	"	33	3,000,000	4	102 14 10	101 11 11½	3 8 5
1888	"	32	1,500,000	3½	100 2 4	98 19 6	3 11 1
1889	1923	34	3,000,000	3½	96 3 7	95 0 10	3 15 6
1890	"	33	4,000,000	3½	91 13 7	90 10 8	4 1 5
1891	1921-26	30-35	2,150,000	3½	94 7 5	93 4 8	4 11 7
1892	"	29-34	2,000,000	4	94 7 1	93 4 2	3 7 8
1893	1911-26	17-32	2,107,000	3	92 2 1	89 14 5	3 11 10
1899	1920-49	30-50	1,600,000	3	95 16 6½	93 8 3½	3 7 6
1901	"	28-48	3,000,000	3	91 14 9½	89 8 0	4 3 8
1902	"	27-47	1,000,000	3	100 0 0	98 19 1	3 11 5
1903	"	26-46	3,148,176	3½	97 3 11½	94 15 8½	3 17 7
1906	"	23-43	587,808	3½	99 2 6	97 10 0	3 13 8
1907	"	22-42	702,140	3½	98 0 0	96 4 7	4 17 4
1909	"	20-40	1,500,000	4	95 7 5	94 7 5	4 5 10
1910	"	19-39	538,352	4	96 18 9	94 9 10	4 7 0
1913	1918-22	5-9	3,000,000	4½	100 0 0	98 4 3½	4 18 2
"	1940-60	27-47	1,000,000	5½	100 0 0	99 12 2	6 7 4
1915	1920-25	5-10	2,000,000	6½	99 0 0	97 1 0	5 15 4
1919	1924-34	5-15	1,465,300	5	100 0 0	100 0 0	5 0 0
1920	1923-25	3-5	2,232,363	5	99 10 0	97 13 4	5 3 11
1922	1930-40	8-18	4,000,000	5	99 10 0	99 10 0	5 3 11
	1935-45	13-23	1,049,868	5	99 10 0	99 10 0	5 3 11
1923	1932-42	9-19	5,000,000	5	99 10 0	99 10 0	5 3 11
			Treasury-bonds				
1892	1893	1	1,000,000	4½	99 3 11	99 1 5	5 0 0
1898	1900	2	50,000,000	3½	100 0 0	100 0 0	3 15 0
1903	1906	3	2,254,800	4	99 10 8½	98 18 10	5 2 7
Total	..	..	96,624,607				
Paidoff	..	..	50,394,705				
Transferred to Melbourne register	..	..	513,905				
Outstanding	..	..	45,685,997				

*Amount temporarily advanced by the Commonwealth Government pending the flotation of a loan by it in London for the benefit of the States.

The figures in the last column represent the rates of interest payable by the State for the actual amount of money which was obtained after deduction of all expenses that had been incurred in connexion with the flotation, allowance being made for redemption at par on maturity.

Excluding Victorian debentures for £63,000 taken over with the Melbourne and Hobson's Bay Railway, of which £62,000 have since been paid off, the total amount of the loans which have been floated in Melbourne is £123,818,683. Of this amount £41,045,434 has been redeemed by loans, and £10,442,122 by revenue, &c., leaving due a balance of £72,331,127 on 30th June, 1923, consisting of debentures, £38,755,428, inscribed stock, £31,447,413, Treasury Bills, £1,000,000, and Treasury bonds in aid of revenue, £1,128,286. In addition, outstanding inscribed stock for £543,905 has been transferred from the London to the Melbourne Register, so that of the debt outstanding the total amount payable in Melbourne is £72,875,032.

The amount of the loans raised in London and Melbourne to 30th June, 1923, inclusive of Melbourne and Hobson's Bay Railway Debentures taken over, was £220,834,390, and of this sum a total of £102,332,361 had been repaid at that date, viz., £13,452,104 out of the general revenue, and £88,830,257 out of the proceeds of redemption loans. The balance outstanding on 30th June, 1923, was £118,562,029. The purposes for which this amount was borrowed and the annual interest payable thereon are as follows :—

PURPOSES FOR WHICH LOANS WERE RAISED.

Loans Raised for—	Amount of Loans outstanding on 30th June, 1923.	Annual Interest Payable.
REVENUE-YIELDING WORKS.		
Railways	£ 65,976,631	£ 2,955,036
Discharged Soldiers' Settlement	19,021,805	1,083,776
Closer Settlement	4,392,753	168,109
Waterworks—		
Country	12,518,608	574,467
Metropolitan	938,182	31,020
Country Roads	4,433,871	227,238
Electricity Supply	4,012,232	214,258
Harbors	533,429	22,074
Agriculture and Advances to Farmers, &c.	395,560	19,454
Mining Development	294,936	10,616
Graving Dock	225,277	8,805
Cool Stores, Outer Ports, &c.	906,304	45,150
Total Revenue-yielding Works	113,649,588	5,360,003

PURPOSES FOR WHICH LOANS WERE RAISED—*continued.*

Loans Raised for—	Amount of Loans outstanding on 30th June, 1923.	Annual Interest Payable.
OTHER WORKS.		
	£	£
State Schools, Technical Schools, and University Public Offices, Law Courts, and Parliament Houses	2,277,840	97,582
Wire Netting	230,019	8,777
Loans to Municipalities	226,449	10,786
Defence Works	379,958	18,565
Other Public Works and Buildings	112,510	3,875
Miscellaneous	305,341	10,890
	252,038	10,051
Total Other Works	3,784,155	160,526
In aid of Revenue	1,128,286	54,164
Net Borrowings	118,562,029	5,574,693

Of the proceeds of the loans outstanding on 30th June, 1923, sums not yet expended amounted in the aggregate to £2,673,498, of which £1,879,093 was for railways, £576,237 for country water supply, £51,457 for country roads, £42,892 for electricity supply, and £123,819 for various other services. Of the amount of the loans which were raised for public works and are still outstanding, 97 per cent. was obtained for works of a revenue-yielding nature.

The total amount of loans outstanding on 30th June, 1923, inclusive of Treasury bonds in aid of revenue was £118,562,029, as mentioned above. Of this sum £41,644,628 was in the form of debentures; £42,797,797 of inscribed stock (London Register); £31,991,318 of inscribed stock (Melbourne Register); £1,000,000 of Treasury bills; and £1,123,286 of Treasury bonds in aid of revenue. Particulars concerning the due dates of loans outstanding on 30th June, 1923, are given in the following table. Where the Government has the option of redemption during a specified period the loans have been classified according to the latest date of maturity:—

**Due Dates
of Loans.**

DUE DATES OF VICTORIAN LOANS ON 30TH JUNE, 1923.

Due Date (Financial Year.)	Payable in London.	Payable in Melbourne.	Total.
	£	£	£
Overdue .. .. .	..	75,240	75,240
1923-24	7,618,600	13,850,570	21,469,170
1924-25	2,249,900	14,336,309	16,586,209
1925-26	7,206,313	4,044,570	11,250,883
1926-27	1,304,000	1,648,007	2,952,007
1927-28 .. .. .	..	7,199,448	7,199,448
1928-29 .. .. .	..	3,245,836	3,245,836
1929-30 .. .. .	..	2,775,980	2,775,980
1930-31 .. .. .	..	3,049,888	3,049,888
1931-32 .. .. .	..	1,104,950	1,104,950
1932-33 .. .. .	..	1,169,766	1,169,766
1933-34 .. .. .	..	4,000	4,000
1934-35	2,991,644	8,356	3,000,000
1935-36 .. .. .	..	300,000	300,000
1940-41	3,975,000	559,780	4,534,780
1941-42 .. .. .	..	423,600	423,600
1942-43	5,000,000	103,600	5,103,600
1944-45 .. .. .	..	400	400
1945-46	1,049,868	15,400	1,065,268
1946-47 .. .. .	..	202,000	202,000
1948-49	5,202,561	264,853	5,467,414
1949-50	6,125,695	106,262	6,231,957
1953-54 .. .. .	..	123,874	123,874
1959-60	2,962,416	17,284	2,979,700
Government Option*	..	5,696,219	5,696,219
Not yet fixed†	(a)	75,000	75,000
	(b)	11,799,840	11,799,840
	(c)	92,000	92,000
	(d)	583,000	583,000
Total	45,685,997	72,876,032	118,562,029

* At option of Government on giving twelve months' notice.

† Amounts received from Commonwealth for purposes of—(a) Immigration; (b) Discharged Soldiers' Settlement; and (c) Loans to Municipalities; and (d) on account of a loan to be floated.

Loans and
Interest
payable in
London and
Melbourne.

An examination of the next table reveals interesting information in regard to the practice adopted when raising money in recent years. During the last 23 years the amount of loans due in Melbourne has grown from £4,669,306 to £72,876,032, while the amount due in London has shown no material variation. With few exceptions, the new loans raised have been obtained locally, while further large amounts have been borrowed in the State for the redemption of London loans as they matured.

PUBLIC DEBT AND INTEREST PAYABLE THEREON IN
LONDON AND MELBOURNE: 1900 TO 1923.

On 30th June—	Amount of Loans Payable in—		Annual Interest Payable in—	
	London.	Melbourne.	London.	Melbourne.
	£	£	£	£
1900 ..	44,655,579	4,669,306	1,735,307	152,046
1910 ..	39,012,436	16,564,289	1,419,579	560,520
1915 ..	41,333,738	31,750,189	1,520,762	1,131,811
1916 ..	42,160,566	34,614,466	1,562,884	1,270,886
1917 ..	42,907,086	35,218,309	1,604,171	1,327,518
1918 ..	43,437,719	36,157,927	1,633,681	1,407,419
1919 ..	43,400,300	38,631,629	1,632,372	1,547,192
1920 ..	42,406,040	45,241,699	1,637,615	1,902,108
1921 ..	38,709,050	58,608,781	1,527,541	2,780,300
1922 ..	42,708,244	66,390,955	1,761,734	3,324,535
1923 ..	45,685,997	72,876,032	1,933,000	3,641,693

Certain expenses are incurred each year in connexion with the payment of interest on London loans which are not common to local issues. In the financial year 1922-23 the amount was £15,274, which was paid as commission.

The appended table shows the rates of interest which were payable on the public debt at 30th June, 1923, and the portions of the debt at each rate in London and Melbourne respectively :—

RATES OF INTEREST ON PUBLIC DEBT AT 30TH
JUNE, 1923.

Rate of Interest.	Amount Payable in—		
	London.	Melbourne.	Total.
%	£	£	£
Not bearing interest .. .. .	..	75,240	75,240
7 $\frac{1}{4}$ .. .. .	..	586,414	586,414
6/15/2 .. .. .	..	631,248	631,248
6/7/0 .. .. .	..	5,523,543	5,523,543
6 $\frac{1}{4}$	2,301,163	3,145,271	5,446,434
6 .. .. .	..	600,081	600,081
5 $\frac{3}{4}$ .. .. .	..	5,036,833	5,036,833
5 $\frac{1}{2}$	8,270,644	13,170,083	21,440,727
5 $\frac{1}{2}$ .. .. .	..	3,563,724	3,563,724
5/6/11 .. .. .	..	1,586,911	1,586,911
5/5/3 .. .. .	..	4,133,613	4,133,613
5 $\frac{1}{4}$ .. .. .	..	10,583,138	16,633,006
5	6,049,868	1,050,000	1,050,000
4 $\frac{7}{8}$ .. .. .	..	1,406,010	1,406,010
4 $\frac{3}{4}$ .. .. .	..	3,900,000	3,900,000
4/14/5 .. .. .	..	937,989	3,187,889
4 $\frac{1}{2}$	2,249,900	733,660	733,660
4 $\frac{1}{4}$ .. .. .	..	3,437,895	7,050,311
4	3,612,416	277,720	277,720
3 $\frac{3}{4}$ .. .. .	..	7,917,852	25,917,297
3 $\frac{1}{2}$	17,999,445	4,503,807	9,706,368
3	5,202,561	75,000	75,000
Not fixed .. .. .	..	..	..
Total	45,685,997	72,876,032	118,562,029
Average Rate of Interest	4·23	5·00	4·70

Growth of
Public Debt.

While the public debt has increased from year to year a very noticeable feature is the rapid increase which has occurred during the last few years. Since 1920 there has been an increase of £30,914,290, of which £12,522,109 was for settling discharged soldiers on the land, £9,079,836 for railways, £4,012,232 for electricity supply, and £2,336,892 for country roads. The debt per head of population is not quite double the amount in 1890, while the annual interest payable per head of population is nearly $2\frac{1}{2}$ times as great as it was in that year—the larger increase in the latter being due to the higher rates at which loans have been raised of late years. In the following statement is shown the growth of the public debt and of the interest payable thereon since the date of the establishment of responsible government in 1855:—

GROWTH OF PUBLIC DEBT AND INTEREST:
1855 TO 1923.

End of Financial Year in—	Loans Outstanding.			Amount per Head of Population.	
	Amount.	Annual Interest Payable.		Debt.	Annual Interest Payable.
		Total.	Average Rate per cent.		
	£	£		£ s. d.	£ s. d.
1855 ..	480,000	28,800	6·00	1 6 4	0 1 7
1860 ..	5,118,100	306,405	5·99	9 10 4	0 11 5
1870 ..	11,924,800	688,740	5·78	16 8 3	0 19 0
1880 ..	20,056,600	1,004,436	5·01	23 11 9	1 3 7
1890 ..	41,377,693	1,649,465	3·99	36 19 11	1 9 6
1900 ..	49,324,885	1,887,353	3·83	41 6 8	1 11 8
1910 ..	55,576,721	1,980,099	3·56	43 6 8	1 10 10
1920 ..	87,647,739	3,539,723	4·04	57 19 1	2 6 10
1921 ..	97,317,831	4,307,841	4·43	63 5 11	2 16 0
1922 ..	109,099,199	5,086,269	4·66	69 9 3	3 4 10
1923 ..	118,562,029	5,575,067	4·70	73 15 0	3 9 4

In addition to the ordinary expenditure from revenue, certain sums are disbursed annually for various purposes from Loan Funds. The following table shows the details of such expenditure for each of the last four years and the total to date :—

EXPENDITURE FROM LOAN FUNDS.

Purpose.	Expenditure during the Year—				Total to 30th June, 1923.
	1919-20.	1920-21.	1921-22.	1922-23.	
	£	£	£	£	£
Railways	1,146,593	1,413,434	3,886,534	1,674,643	63,371,086
Water Supply—					
Country	484,325	810,437	968,047	1,210,485	13,102,348
Metropolitan ..	..	..	..	..	3,142,577
Closer Settlement ..	1,913	1,188	18	461,533	5,606,720
Discharged Soldiers' Land Settlement ..	5,219,308	6,935,064	4,287,114	1,959,231	19,669,377
Country Roads ..	504,346	1,042,009	960,821	573,972	4,724,249
Electricity Supply ..	1,176	158,773	1,337,818	2,471,457	3,969,224
State Schools, University, &c. ..	18,223	94,899	281,037	329,882	2,382,177
State Coal Mine ..	Cr. 14	Cr. 7	Cr. 185	..	239,432
Seed and Fodder Advance to Farmers	19,770	40,676	..	..	604,615
Cool Storage—Advances to Companies, &c. ..	71,577	213,616	41,710	3,503	573,268
Municipalities—Loans, Advances and Grants	13,869	67,290	38,600	..	1,112,283
Primary Products—Advances to Companies, &c. ..	..	258,780	59,821	..	318,601
Wire Netting ..	13,540	44,380	15,447	23,731	374,185
All other works and services ..	8,130	19,155	4,145	55,869	4,463,466
In aid of Revenue ..	..	..	..	..	2,919,652
Total ..	7,502,756	11,099,694	11,880,927	8,764,306	126,573,260*

* In addition to this amount, the sum of £470,911 was advanced from the Public Account Advances Account in 1922-23 and expended on the following :—Country Roads, £84,427; Closer Settlement, £20,939; Discharged Soldiers' Land Settlement, £358,181; and Electricity Supply, £7,364.

The total interest paid (including all expenses of payment) on loans raised to 30th June, 1923, amounts to about £103,000,000, of which £77,000,000 was paid in London and £26,000,000 in Melbourne. The amount of interest paid during each of the last five financial years is shown in the next table :—

Interest paid on Loans.

INTEREST PAID ON LOANS.

Year ended 30th June.	Interest Paid in—		Expenses, &c., connected with Payment of Interest in London.	Total.
	London.	Melbourne.		
	£	£	£	£
1919	1,632,372	1,423,945	30,742	3,087,059
1920	1,634,954	1,585,468	28,971	3,249,393
1921	1,648,984	2,162,261	70,850	3,882,095
1922	1,541,747	2,927,931	109,987	4,579,665
1923	1,765,579	3,563,982	26,014	5,355,575

SINKING FUNDS.

Sinking Funds. On 30th June, 1923, the sinking funds for repayment of the public debt amounted to £2,993,432. The balances to the credit of the various funds at that date are shown in the following table:—

	Balance at Credit.
	£
Mallee Land Account	11,322
Victorian Government Consolidated Inscribed Stock Redemption Fund	2,570,577
Victorian Loans Redemption Fund	174,631
Closer Settlement Redemption Fund	40,000
State Coal Mines Sinking Fund	92,297
Main Roads Sinking Fund	104,555
Total	<u>2,993,432</u>

Mallee Land Account. By Act No. 2676 of 1915 the moneys accruing from licensing, leasing, or selling of land in the Mallee country or Mallee border are to be paid into the Treasury and placed to the credit of a separate account, to be called the "Mallee Land Account." The sums standing at credit of this account are available solely for the repurchase, redemption, or paying off of any Victorian stock or debentures. The amount in hand on 30th June, 1922, was £50,998, and during 1922-23 the receipts amounted to £88,324, and the expenditure to £128,000, so that the balance in the fund on 30th June, 1923, was £11,322.

Consolidated Inscribed Stock Redemption Fund. By Act No. 1561 of 1898 it was enacted that a "Victorian Government Consolidated Inscribed Stock Redemption Fund" should be kept in the Treasury, and should be applied to the purchase or repurchase, and ultimately to the redemption of consolidated stock—that is, stock on the London Register—and to the payment of expenses connected with such purchase or redemption. The fund is made up of money derived

from special appropriations from revenue, from repayments by Water Trusts, and from the Mallee Land Account, &c. During 1922-23 there was no expenditure from this fund and receipts amounted to £258,538. Transactions to 30th June, 1923, were as follows:—

THE VICTORIAN GOVERNMENT CONSOLIDATED INSCRIBED
STOCK REDEMPTION FUND: 30TH JUNE, 1923.

Transactions.	To 30th June, 1923.
RECEIPTS.	
	£
Waterworks Trusts	332,154
Mallee Land Account	1,038,000
Revenue	850,802
Interest on Investments	622,235
Miscellaneous	103,093
Total receipts	2,946,284
EXPENDITURE.	
Purchase of Stock	374,484
Commission, &c.	1,211
Investment Expenses	12
Total expenditure	375,707
Balance in the Fund	2,570,577
Amount of stock repurchased and cancelled	397,405

Of the balance in the fund, £2,562,211 was invested in Victorian Government debentures and stock, and £8,366 held in cash.

By Acts Nos. 1565 and 1796 it was provided that a "Victorian Loans Redemption Fund" should be kept in the Treasury and should be available for the purchase, re-purchase, or redemption of Victorian Government stock and debentures payable at Melbourne, and for the payment of expenses, costs, &c., incurred. This fund is derived from special appropriations from revenue and repayments of advances made under any Act for "Resumption of Land in Mallee District," and of sundry loans made by the Government to municipalities, &c. During 1922-23 receipts amounted to £317,250, and £323,195 was expended in the purchase for cancellation of £324,065 stock and debentures.

Loans
Victorian
Redemption
Fund.

Transactions in the fund to 30th June, 1923, are shown in the following statement:—

THE VICTORIAN LOANS REDEMPTION FUND:
30TH JUNE, 1923.

Transactions.	To 30th June, 1923.
RECEIPTS.	
	£
From Revenue	2,665,358
Resumption of land in Mallee Districts and valuation of improvements	26,108
Payments by Municipalities	371,571
Geelong Municipal Waterworks Trust	265,000
Interest on Investments	171,296
Shipbuilding Yard (realization)	178,500
Sale of Dredge	4,288
Repayment of Loans—	
Bush fires relief	22,721
Floods relief	1,453
Seed advances	606,157
New pilot steamer	15,354
Yarrowee Channel	16,054
Wire netting	332,084
Cool Stores	41,785
Municipalities	314,031
Country roads	80,000
Cattle advances	57,549
Royal Agricultural Society	2,218
Primary products	44,956
Excess of face value of securities over amount invested	408
Total receipts	5,216,891
EXPENDITURE.	
Purchase of stock and debentures	5,042,210
Balance in the Fund	174,681
Amount of stock and debentures repurchased and cancelled	5,075,325

The balance in the fund was represented by Victorian Government debentures and stock having a face value of £167,656, and £7,025 held in cash.

With the approval of the Treasurer this Fund was established to write down the valuation of Closer Settlement Estates by £200,000. The sole revenue of the Fund is a sum of £10,000, which, in accordance with an arrangement entered into, it must receive each year from the profits of the Closer Settlement Fund. Up to 30th June, 1923, the revenue of the Fund had been applied in the cancellation of stock and debentures to the value of £40,000.

**Closer
Settlement
Redemption
Fund.**

Coal Mines Sinking Fund. By Act No. 2630 (Section 96) the net surplus profits of the State Coal Mines were applied in establishing the Coal Mines Sinking Fund. Up to 30th June, 1923, the receipts of that Fund amounted to £99,347. Stock and debentures to the value of £7,050 had been cancelled at par, and there was thus a balance of £92,297, all of which was invested.

Main Roads Sinking Fund. By Act No. 2635 (Section 39) a portion of the money to the credit of the Country Roads Board Fund is paid in to the Main Roads Sinking Fund. The receipts of the latter Fund to 30th June, 1923, amounted to £104,555 (£85,231 being invested and £19,324 held in cash).

TRUST FUNDS.

In the succeeding table the amount at credit of the various trust funds for each of the last five years is shown—investments in Victorian securities being distinguished. Included in these trust funds are the above-mentioned Sinking Funds as well as the State Savings Bank Commissioners' Fund; these amounted on 30th June, 1923, to £2,993,432 and £64,103 respectively.

On 30th June—	Amount at Credit of Trust Funds.		
	Invested in Victorian Debentures, Stock, or Bonds.	Held Otherwise.*	Total.
	£	£	£
1919	4,046,874	8,239,606	12,286,480
1920	3,963,276	8,577,569	12,540,845
1921	4,386,711	10,183,683	14,570,400
1922	4,760,336	8,100,051	12,860,387
1923	5,133,710	2,067,873	7,201,583

* In bank deposit receipts, cash, advances to Revenue, &c.

Stock inscribed under the Municipalities' Loans Extension Act and unspent balances under Surplus Revenue Acts, which are not treated in the Treasurer's Finance Statement as Trust Fund Accounts, are excluded from the above. The amounts at credit of these accounts on 30th June, 1923, were £18,145 and £9,013 respectively.

PUBLIC DEBTS OF AUSTRALIAN STATES.

Public Debts of Australian States. The following is a statement of the public debts of the Australian States on 30th June, 1923, showing the amounts, the amounts per head of population, the total interest payable, the average rates per cent., and the rates *per capita*. Sinking Funds have not been deducted. Treasury Bills, covering Revenue Deficits, are included. Revenue Deficits which are not covered

by Treasury Bills, overdrafts on Loan Account, and advances from Trust Funds are excluded.

PUBLIC DEBTS OF AUSTRALIAN STATES ON 30TH JUNE, 1923.

State.	Public Debt.		Interest Payable.		
	Amount.	Per Head of Population.	Amount.	Per Head of Population.	Average Rate per cent.
	£	£ s. d.	£	£ s. d.	
Victoria ..	118,562,029	73 15 0	5,574,693	3 9 4	4.702
New South Wales ..	197,936,092	90 5 6	9,418,959	4 6 0	4.758
Queensland ..	88,005,001	109 4 9	3,860,045	4 15 10	4.386
South Australia ..	65,451,873	125 15 9	3,124,937	6 1 0	4.774
Western Australia ..	58,485,555	168 0 1	2,557,748	7 6 11	4.373
Tasmania ..	22,438,091	104 19 2	1,091,975	5 2 2	4.867

The public debt of the Commonwealth on 30th June, 1923, was £410,996,316, and that of the six States, £550,878,641. From the total of these a deduction of £56,390,011 must be made for debts included twice. The balance (£905,484,946) represents the liability of the Australian public at the date mentioned, which is equal to £159 3s. 9d. per head of the population.

The full indebtedness of the Government, municipalities, and corporations of Victoria for the year 1923 is shown in detail hereunder. From the municipal and corporation debts the amounts of loans from the Government have been excluded.

STATE AND LOCAL DEBTS, VICTORIA, 1923.

State Public Debt—		£	£
London Register		45,685,997	
Melbourne Register		72,876,032	
Other State Debt		470,911	
		<hr/>	
Total State Debts			119,032,940
Municipal		5,378,840	
Harbor Trusts		2,897,107	
Metropolitan Fire Brigades Board		143,329	
Melbourne and Metropolitan Board of Works		13,252,170	
		<hr/>	
Total Debts of Municipalities and Corporations (excl. Government loans)			21,671,446
			<hr/>
Gross Debts			140,704,386
Sinking Funds			4,135,065
			<hr/>
Net Debt			136,569,321

This sum (£136,569,321) is equal to a net debt of £84 19s. 1d. per head of the population on 30th June, 1923.

COMMONWEALTH, STATE, AND LOCAL TAXATION.

Taxation. The subjoined table shows approximately, for the last five financial years, the amount of revenue collected under the various heads of taxation by the Commonwealth, the State, and local bodies in Victoria :—

TAXATION IN VICTORIA—COMMONWEALTH, STATE, AND LOCAL: 1918-19 TO 1922-23.

Heads of Taxation.	Amount Received.				
	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
	£	£	£	£	£
Federal—					
Customs Duties ..	4,010,055	4,371,405	7,345,609	5,835,394	7,648,521
Excise Duties ..	1,631,074	1,963,915	2,525,847	2,644,585	2,700,312
Income Tax*	2,527,000	3,601,000	4,203,000	4,533,000	3,485,000
Land Tax*	534,000	486,000	492,436	525,000	464,000
Succession Duties*	370,000	619,000	435,873	367,000	434,000
War-time Profits Tax* ..	327,000	474,000	495,000	280,000	72,000
War Postage ..	132,000	215,000	56,000	...	...
Entertainments Tax	110,815	176,411	203,769	222,210	208,240
Total Federal Taxation ..	9,641,944	11,906,731	15,757,534	14,407,189	15,012,073
State—					
Income Tax ..	928,210	915,551	1,591,198	1,443,209	1,514,256
Stamp Duties ..	581,917	820,618	928,367	930,859	1,116,077
Probate and Succession Duties ..	718,194	881,423	702,468	706,181	697,482
Land Tax ..	324,232	314,217	331,756	372,060	392,594
Licences ..	179,338	213,204	274,020	320,127	335,402
Race Clubs' percentage ..	11,154	12,883	17,170	16,948	19,473
Duties on Bank Notes ..	1,901	1,871	1,854	1,790	1,762
Total State Taxation ..	2,744,946	3,159,767	3,846,833	3,791,174	4,077,046
Municipal Taxation ..	1,648,403	1,840,062	2,167,757	2,399,256	2,671,783
Total Taxation	14,035,293	16,906,560	21,772,124	20,597,619	21,760,902

* Estimated.

The total State taxation shown above excludes licences issued under the Motor Car Act. The revenue received therefrom is included under the heading "Fees and Fines," and amounted to £67,666 in 1918-19, £85,363 in 1919-20, £98,135 in 1920-21, £118,673 in 1921-22, and £158,390 in 1922-23.

The taxation in Victoria per head of population by the Commonwealth, the State, and local bodies for each of the last five years was as follows:—

COMMONWEALTH, STATE, AND LOCAL TAXATION PER
HEAD OF POPULATION: 1918-19 TO 1922-23.

Division.	Taxation per Head of Population in Victoria.				
	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Commonwealth	6 14 2	7 18 5	10 6 3	9 5 9	9 8 10
State	1 18 2	2 2 0	2 10 4	2 8 11	2 11 3
Local	1 2 11	1 4 6	1 8 4	1 10 11	1 13 7
Total	9 15 3	11 4 11	14 4 11	13 5 7	13 13 8

While the estimated Commonwealth taxation imposed in Victoria was £9 8s. 10d. per head of population in 1922-23, the taxation in Australia levied by the Commonwealth Government was £8 17s. 1d. per head. The higher rate for Victoria was due to the amount of Customs duties actually collected in the State being much above the average collection on a population basis.

Additional Taxation. The Victorian Stamps Act was amended by the *Stamps Act* No. 3214. From 1st January, 1923, all transfers of leases are liable to the same amount of *ad valorem* duty as transfers of freehold property, and the old exemption from duty of £50 valuation in the case of the last-mentioned transfers is abolished. By reason of this, every transfer is subject to an extra 10s. duty—an impost which, under the Act, will continue in force until 30th June, 1927.

By the *Land Tax Act* No. 3213 additional land taxation was imposed from 1st January, 1923, in the form of a supertax of 5 per cent. on the old rate.

LICENCES.

Licences. The following is a statement of the net revenue received from each description of licence during the year 1922-23 (*vide* page 40). Municipal licences for slaughtering, dairies, noxious trades, &c., are excluded, also insurance licences (£68,946), and book-makers' licences (£14,100), the two last mentioned having been shown under Stamp Duties. Motor car licences (£158,390) are included under the heading "Fees and Fines."

REVENUE OF STATE GOVERNMENT FROM LICENCES :
1922-23.

Description of Licence.	Net Revenue Received.
	£
Spirit Merchants and Grocers	31,089
Victuallers	246,842
,, Temporary	3,888
Railway Refreshment Rooms	2,230
Packet	150
Australian Wine	4,943
Billiard Table	4,892
Brewers	217
Vignerons	75
Club Certificates	6,335
Permits (Extra Bars and Extended Hours)	1,913
Auctioneers	21,895
Real Estate Agents	2,743
Tobacco and Cigars—Selling	2,060
Pawnbrokers	890
Hawkers	2,073
Carriage, Stage Carriage, Forwarding Agents	424
Marine Stores	215
Explosives	838
Race Clubs	655
Gold-buyers	193
Second-hand Dealers	693
Farm Produce Agents	149
Total	335,402

In addition to the preceding, there are other licences issued in Victoria by the Department of Trade and Customs; the fees collected in respect of these during the calendar year 1923 were as follows:—

Description of Licence.	Amount of Fees collected.
<i>Customs.</i>	
	£
Carriage	309
Lighter and Boat	6
Custom House Agents	25
Bond	3,451
<i>Excise.</i>	
Distilling—	
General Distillers	250
Wine Distillers	125
Vignerons	75
Brewers	1,250
Manufacturing Tobacco, Cigars, Cigarettes, and Snuff ..	2,041
Starch	15
Methylators	2