

PART IV.

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. Apart from these special funds, the financial transactions are concerned with (a) Consolidated Revenue Fund, (b) Trust Funds, and (c) Loan Funds. In the succeeding tables, the revenue and expenditure relating to the Consolidated Revenue Fund and the public revenue of certain special funds or accounts, which appear in the Treasurer's Finance Statement, are included. Payments from Consolidated Revenue are made either under the authority of an Annual Appropriation Act passed by the Legislature, or by a permanent appropriation under a Special Act. Permanent appropriations are made in respect of services such as Interest on the Funded Debt, Exchange on Overseas Interest, contributions to the National Debt Sinking Fund, the salaries of the Governor, the Judges and certain other officials, expenditure on State pensions, payments to the Unemployment Relief Fund, payment of interest, &c., under the Commonwealth-State Housing Agreement, contributions to the Hospitals and Charities Fund (including Totalizator Revenue), and the Railway Renewals and Replacement Fund.

A concise statement of the chief special funds kept at the Treasury is shown in the *Year-Book* for 1928-29, pages 76 to 80. Amongst the principal funds since established are the Unemployment Relief Fund, the Milk Board Fund, the Federal Aid Roads and Works Accounts 1937, the Railways Repayment Account, the Railway Renewals and Replacement Fund, the Public Trustee Fund, the Decentralization Fund, the Transport Regulation Fund, the Rural Rehabilitation Fund (to take the place of the Farmers' Debts Adjustment Fund), the Municipalities Assistance Fund, the Hospitals and Charities Fund, the Hospital Benefits Fund, the Commonwealth-State Housing Trust Account, and the State Motor Car Insurance Fund.

Under Act No. 4597 of 1938 the Closer Settlement, the Discharged Soldiers Settlement and the Discharged Soldiers Concession Funds were abolished. From 28th February, 1939, the finances of these Funds were brought into the Consolidated Revenue system.

The original Financial Agreement between the Commonwealth and the States was made on 12th December, 1927. It was subsequently affected by the Debt Conversion Agreement of 21st July, 1931, the Debt Conversion Agreement (No. 2) of 22nd October, 1931, and the Agreement relating to Soldier Settlement Loans of 3rd July, 1934. A brief outline of the principal provisions of the original agreement is given in the *Year-Book* for 1928-29, page 75.

A summary of the transactions for the year ended 30th June, 1951, in the Consolidated Revenue Fund and in certain special funds gives the following result:—

| | | £ |
|--------------------|---------|------------|
| Public Revenue | .. .. . | 66,883,618 |
| Public Expenditure | .. .. . | 67,226,845 |
| | | £ |
| Deficit | .. .. . | 343,227 |

The differences between the amounts of revenue and expenditure shown above and those given in the Treasurer's Finance Statement arise from the use for statistical purposes, of a different method of classification. The Public Revenue of certain special funds is added to the Consolidated Revenue—an equivalent amount being entered as expenditure. The particulars for 1950-51 are as follows:—

| Items. | Public Revenue. | Public Expenditure. |
|-------------------------------------------------------------------------------------------------|-----------------|---------------------|
| Total—Treasurer's Finance Statement | £ 65,335,437 | £ 65,678,664 |
| <i>Add</i> Public Revenue of the following funds— | | |
| Country Roads Board Fund* | 2,863,732 | 2,863,732 |
| Licensing Fund† | 120,940 | 120,940 |
| Police Superannuation Fund | 33,955 | 33,955 |
| Assurance Fund | 3,469 | 3,469 |
| Cattle Compensation Fund | 98,239 | 98,239 |
| Swine Compensation Fund | 26,584 | 26,584 |
| Metropolitan Roads Fund | 51,449 | 51,449 |
| Mallee Land Account | 53,715 | 53,715 |
| Transport Regulation Fund | 158,491 | 158,491 |
| Municipalities Assistance Fund | 68,547 | 68,547 |
| Rivers and Streams Fund | 10,730 | 10,730 |
| | 68,825,288 | 69,168,515 |
| <i>Deduct</i> — | | |
| Recoups by Treasury to Railways Department for loss of revenue on account of— | | |
| (a) Reduction in certain outer suburban periodical fares | 9,000 | 9,000 |
| (b) Concessions in certain country freight charges | 143,000 | 143,000 |
| Subsidy to Railways Department to reduce amount chargeable in respect of interest, &c., charges | 1,789,670 | 1,789,670 |
| | 1,941,670 | 1,941,670 |
| Total | 66,883,618 | 67,226,845 |

* Excluding £617,748 recouped to Revenue under Acts Nos. 3944 and 4140.

† In addition to this amount, £681,571 was transferred to Revenue under Section 312 of Act No. 3717 as amended by Act No. 5089.

The revenue and expenditure of the State for each of the years 1946-47 to 1950-51, after taking into account the circumstances mentioned on the preceding page, are shown in the next statement.

VICTORIA—STATE REVENUE AND EXPENDITURE,
1947 TO 1951.

| Year ended 30th June— | Public Revenue. | Public Expenditure. | Surplus (+) or Deficit (-) | Accumulated Deficiency to end of each Year (i.e., 30th June). |
|-----------------------|-----------------|---------------------|----------------------------------|---------------------------------------------------------------------------|
| | £ | £ | £ | £ |
| 1947 | 38,912,209 | 38,907,176 | (+) 5,033 | 7,940,069 |
| 1948 | 43,611,349 | 44,165,053 | (-) 553,704 | 8,488,740 |
| 1949 | 48,968,397 | 50,351,178 | (-) 1,382,781 | 9,871,521 |
| 1950 | 58,287,237 | 58,546,047 | (-) 258,810 | 10,130,331 |
| 1951 | 66,883,618 | 67,226,845 | (-) 343,227 | 10,473,558* |

* Of this amount, £7,179,485 was provided from the proceeds of Treasury Bonds and £3,294,073 from the Public Account.

Details of the sources of revenue for each of the financial years 1946-47 to 1950-51 are given in the following statement:—

VICTORIA—SUMMARY OF STATE REVENUE,
1947 TO 1951.

| Heads of Revenue. | Year ended 30th June— | | | | |
|-------------------------------------------------|-----------------------|------------|------------|------------|------------|
| | 1947. | 1948. | 1949. | 1950. | 1951. |
| | £ | £ | £ | £ | £ |
| Taxation— | | | | | |
| Income Tax | 69,744 | 66,740 | 51,072 | 51,463 | 40,425 |
| Income and Entertainments Tax — Commonwealth | | | | | |
| Reimbursement | 8,770,774 | 9,881,621 | 12,027,220 | 14,237,002 | 17,445,851 |
| Land Tax | 382,599 | 373,766 | 370,547 | 292,580 | 415,180 |
| Probate Duty | 2,460,655 | 2,095,866 | 2,573,166 | 2,611,019 | 3,442,487 |
| Unemployment Relief | 19,482 | 19,138 | 20,187 | 15,019 | 12,098 |
| Entertainments Tax* | 969,401 | 1,251,897 | 1,402,394 | 1,482,111 | 1,608,598 |
| Other Stamp Duties | 1,335,406 | 1,482,628 | 1,655,893 | 2,376,726 | 2,987,246 |
| Motor Taxation | 2,093,747 | 2,388,718 | 2,647,318 | 3,178,859 | 3,808,886 |
| Licences— | | | | | |
| Liquor | 483,968 | 550,889 | 606,711 | 680,233 | 780,166 |
| Other | 104,565 | 112,629 | 114,060 | 121,810 | 131,640 |
| Other Taxation | 22,796 | 22,461 | 21,848 | 4,447 | .. . |
| Total Taxation | 16,713,137 | 18,246,353 | 21,490,416 | 25,051,269 | 30,672,577 |

* Mainly Horse-Racing.

VICTORIA—SUMMARY OF STATE REVENUE, 1947 TO 1951—
continued.

| Heads of Revenue. | Year ended 30th June— | | | | |
|-------------------------------------------------|-----------------------|-------------------|-------------------|--------------------|--------------------|
| | 1947. | 1948. | 1949. | 1950. | 1951. |
| | £ | £ | £ | £ | £ |
| Commonwealth Payment to State— | | | | | |
| Financial Agreement .. | 2,127,159 | 2,127,159 | 2,127,159 | 2,127,159 | 2,127,159 |
| State's Grants (Special Assistance) Act 1951 .. | .. | .. | 145,000 | 1,999,212 | 4,750,000 |
| Other .. | .. | .. | .. | .. | 186,558 |
| Public Works and Services— | | | | | |
| Railways .. | 13,747,827 | 16,290,532 | 17,268,058 | 20,195,657 | 18,645,703 |
| Water Supply .. | 1,021,910 | 1,056,006 | 1,311,014 | 1,575,346 | 1,774,009 |
| State Coal Mine .. | 283,333 | 300,322 | 350,136 | 366,073 | 389,654 |
| State Electricity Commission | | | | | |
| Interest, &c. .. | 815,552 | 817,828 | 815,096 | 811,689 | 812,721 |
| Country Roads Board* .. | Dr. 143,333 | Dr. 143,310 | Dr. 133,207 | Dr. 123,955 | Dr. 116,984 |
| Maffra Beet Sugar Factory .. | 18,632 | 38,913 | 6,102 | 2,936 | 1,462 |
| Victoria Dock Cool Stores .. | 88,001 | 87,691 | 101,457 | 128,051 | 96,350 |
| Wharfage Rates, &c. .. | 65,679 | 75,331 | 90,406 | 108,135 | 117,783 |
| Other .. | 132,405 | 133,533 | 151,487 | 141,402 | 184,857 |
| Land— | | | | | |
| Land Sales, Rents, Penalties, &c. .. | 650,482 | 736,788 | 803,039 | 857,233 | 1,029,988 |
| Interest on Loans— | | | | | |
| Land Settlement .. | 417,147 | 395,434 | 340,432 | 276,648 | 225,029 |
| Soldier Settlement .. | 11,314 | 58,103 | 182,339 | 164,423 | 240,037 |
| Fees, Fines, &c. .. | 436,491 | 479,906 | 507,648 | 608,466 | 695,309 |
| Tramways Act No. 3732 (Sec. 77) | 120,641 | 137,424 | 150,270 | 200,781 | 199,194 |
| Government Printer .. | 234,124 | 310,760 | 361,040 | 385,731 | 436,722 |
| Harbor Trust Contributions .. | 149,675 | 182,532 | 205,032 | 241,814 | 274,860 |
| Royal Mint .. | 218,473 | 127,558 | 145,156 | 151,375 | 165,613 |
| Interest and Recoups, N.E.I. | 780,041 | 913,426 | 1,057,760 | 1,018,396 | 956,607 |
| Department of Agriculture† .. | 86,827 | 108,941 | 120,364 | 131,451 | 172,583 |
| Miscellaneous .. | 936,683 | 1,130,119 | 1,372,193 | 1,862,945 | 2,845,927 |
| Total Revenue .. | 38,912,209 | 43,611,349 | 48,968,397 | 58,287,237 | 66,883,618 |
| Per Head of Population .. | £ s. d. 19 1 6 | £ s. d. 21 1 6 | £ s. d. 23 3 5 | £ s. d. 26 17 2 | £ s. d. 29 18 1 |

* Represents the difference between the interest received by Consolidated Revenue on account of Country Roads and the recoups to Consolidated Revenue as shown in the Country Roads Board Fund. See remarks in page 186 with reference to the statistical method of arriving at total public revenue.

† Excluding "Maffra Beet Sugar Factory" and "Victoria Dock Cool Stores".

A summary of expenditure from State Revenue classified according to functions for each of the years 1946-47 to 1950-51 is shown in the next table:—

Interest on the public debt, pensions and gratuities, and the contribution to the National Debt Sinking Fund have not been allotted to the respective heads of expenditure. They are shown separately under the sub-heading "Financial Administration."

Heads of
State
Expenditure.

**VICTORIA—SUMMARY OF EXPENDITURE FROM STATE
REVENUE, 1947 TO 1951.**

| Heads of Expenditure. | Year ended 30th June— | | | | |
|-----------------------------------------------------------------------------------------|-----------------------|------------|------------|------------|------------|
| | 1947. | 1948. | 1949. | 1950. | 1951. |
| | £ | £ | £ | £ | £ |
| <i>Legislature and General Administration.</i> | | | | | |
| Legislature— | | | | | |
| Governor | 14,808 | 16,364 | 36,631 | 72,495 | 61,463 |
| Parliament | 124,776 | 142,799 | 240,165 | 229,534 | 266,829 |
| Electoral | 15,713 | 44,151 | 25,938 | 61,713 | 26,418 |
| Financial Administration— | | | | | |
| Public Debt Charges— | | | | | |
| Interest— | | | | | |
| Funded Debt | 6,054,532 | 6,165,743 | 6,324,875 | 6,792,293 | 7,186,245 |
| Temporary Loan | 74,407 | 60,500 | 48,899 | 31,443 | 13,349 |
| Exchange on Interest | 585,301 | 587,549 | 541,766 | 567,181 | 577,794 |
| Expenses of Paying Interest, Redemptions, Conversions, &c. .. . | 27,246 | 23,674 | 65,021 | 49,968 | 68,493 |
| National Debt Sinking Fund .. . | 1,474,089 | 1,554,945 | 1,715,318 | 1,854,162 | 2,058,650 |
| Pensions and Superannuation Contributions* | 1,021,060 | 1,165,412 | 1,332,431 | 1,464,855 | 1,944,174 |
| Departmental— | | | | | |
| Treasury (including Taxation, Stamps, &c.) | 135,525 | 152,845 | 193,671 | 196,974 | 253,817 |
| Pay-roll Tax | 427,365 | 505,609 | 580,632 | 668,023 | 764,774 |
| Superannuation Board and Pensions Office—Administration .. . | 9,049 | 12,718 | 11,436 | 13,236 | 18,250 |
| Auditor-General | 37,091 | 39,907 | 46,465 | 50,902 | 62,675 |
| Royal Commissions, Boards of Inquiry, &c. | 1,431 | 3,175 | 217 | 26,681 | 333 |
| Administration, N.E.I.— | | | | | |
| Government Printer | 235,739 | 316,720 | 379,721 | 412,885 | 470,976 |
| Mint Subsidy | 102,000 | 84,000 | 100,000 | 112,000 | 120,000 |
| Other | 579,093 | 651,253 | 796,065 | 1,064,125 | 1,318,595 |
| | 10,919,225 | 11,527,364 | 12,439,251 | 13,668,470 | 15,212,835 |
| <i>Law, Order, and Public Safety.</i> | | | | | |
| Salaries of Judiciary | 19,042 | 24,694 | 29,875 | 31,700 | 32,000 |
| Attorney-General, Solicitor-General, &c. | 394,350 | 467,335 | 527,145 | 604,534 | 713,711 |
| Police | 1,286,854 | 1,454,539 | 1,651,996 | 2,122,624 | 2,599,665 |
| Prisons | 173,374 | 194,622 | 220,174 | 270,476 | 329,104 |
| Prevention of Fire and Flood .. . | 152,118 | 132,708 | 143,828 | 216,317 | 209,984 |
| Prices, &c., Control | | 146,161 | 146,161 | 160,708 | 218,385 |
| Other | 5,511 | 6,248 | 7,092 | 8,104 | 8,702 |
| | 2,031,249 | 2,280,146 | 2,726,271 | 3,414,463 | 4,111,551 |
| <i>Regulation of Trade and Industry.</i> | | | | | |
| Factories and Shops Legislation } .. . | 57,638 | 76,070 | 88,336 | 96,886 | 121,834 |
| Labour Legislation | 41,981 | 63,445 | 78,249 | 113,621 | 158,491 |
| Transport Regulation Board .. . | 23,393 | 25,213 | 29,235 | 38,972 | 38,976 |
| Liquor Licence Control (Administration, including Compensation) .. . | | | | | |
| Decentralization Fund and concession for establishment of industries in country | 50,000 | 50,000 | 100,000 | | |
| Other | 24,885 | 38,774 | 33,978 | 28,001 | 34,801 |
| | 197,897 | 253,502 | 329,798 | 277,480 | 354,102 |

* For details, see page 204.

VICTORIA—SUMMARY OF EXPENDITURE FROM STATE REVENUE,
1947 TO 1951—*continued.*

| Heads of Expenditure. | Year ended 30th June— | | | | |
|----------------------------------------------------------------------------------------------------------------|-----------------------|-----------|-----------|-----------|------------|
| | 1947. | 1948. | 1949. | 1950. | 1951. |
| | £ | £ | £ | £ | £ |
| <i>Education.*</i> | | | | | |
| Primary, Intermediate, Secondary, Technical—Administration, Salaries of Teaching Staffs, &c. | 4,505,460 | 5,353,526 | 6,124,127 | 7,220,317 | 8,898,736 |
| Technical N.E.I., including Maintenance Grant | 350,241 | 388,783 | 465,462 | 570,495 | 747,808 |
| University | 132,740 | 216,840 | 276,640 | 411,140 | 403,360 |
| Adult Education Grant | .. | 25,000 | 25,000 | 25,000 | 30,560 |
| Agricultural Education—Colleges, Experimental Farms, University Grants, &c. | 125,337 | 137,762 | 178,891 | 202,248 | 269,268 |
| Other | 13,196 | 12,898 | 15,771 | 18,028 | 15,273 |
| | 5,126,974 | 6,134,809 | 7,085,891 | 8,447,228 | 10,365,005 |
| <i>Encouragement of Science, Art, and Research.</i> | | | | | |
| Public Libraries, Museums, and Art Galleries | 88,612 | 108,594 | 146,190 | 178,839 | 215,696 |
| Cultural Development (including Symphony Orchestra) | .. | .. | .. | 44,054 | 61,253 |
| Other | 175 | 175 | 175 | 400 | 400 |
| | 88,787 | 108,769 | 146,365 | 223,293 | 277,349 |
| <i>Promotion of Public Health and Recreation.</i> | | | | | |
| Care of Sick and Mentally Afflicted—Hospital and Charities Fund (including Totalizator Contribution) | 1,503,730 | 1,626,856 | 1,617,521 | 2,391,176 | 3,817,126 |
| Various Hospitals, &c. | 246,614 | 276,706 | 330,090 | 366,789 | 475,609 |
| Mental Hospitals | 782,328 | 893,761 | 1,077,014 | 1,291,495 | 1,748,493 |
| Mental Defectives | 46,377 | 58,258 | 65,426 | 79,507 | .. |
| Health of Mothers and Children—Infant Welfare and Clinics | 122,056 | 141,103 | 170,076 | 248,662 | 284,219 |
| Medical and Dental Examination of School Children | 4,601 | 4,156 | 4,353 | 5,968 | 10,277 |
| Preservation of Public Health—Health Department—Administration | 77,368 | 109,018 | 134,937 | 115,434 | 149,504 |
| Other | 166,508 | 222,992 | 307,224 | 520,723 | 702,769 |
| Parks, Gardens, and Recreation Reserves | 29,878 | 35,257 | 51,570 | 56,032 | 56,608 |
| | 2,979,460 | 3,368,107 | 3,758,211 | 5,075,786 | 7,244,605 |
| <i>Social Amelioration.</i> | | | | | |
| Relief of Destitute, Aged, &c. | 6,966 | 7,336 | 7,536 | 8,810 | 8,090 |
| Children's Welfare Department | 220,965 | 226,005 | 234,224 | 235,533 | 258,033 |
| Miners' Phthisis Allowances | 18,732 | 18,241 | 26,500 | 31,980 | 36,680 |
| Care of Aborigines | 6,393 | 7,340 | 8,024 | 10,814 | 10,300 |
| Unemployment Relief Fund | 19,482 | 19,898 | 20,187 | 15,019 | 12,098 |
| Commonwealth—State Housing Agreement—Interest on Advances | 141,178 | 279,735 | 426,392 | 593,774 | 799,445 |
| Repayment of Advances | 24,536 | 56,931 | 98,212 | 142,315 | 196,209 |
| State Relief Committee | 7,000 | 7,000 | 7,000 | 7,500 | 10,000 |
| Other | 45,376 | 40,675 | 37,581 | 14,206 | 28,590 |
| | 490,628 | 663,101 | 865,656 | 1,059,951 | 1,353,445 |

* Detailed information regarding expenditure on education will be found in Part "Social Condition" of this *Year-Book*.

† Additional items of expenditure on University are included under functions to which they relate.

VICTORIA—SUMMARY OF EXPENDITURE FROM STATE REVENUE,
1947 TO 1951—*continued.*

| Heads of Expenditure. | Year ended 30th June— | | | | |
|-----------------------------------------------------------------------------------------|-----------------------|------------|------------|------------|------------|
| | 1947. | 1948. | 1949. | 1950. | 1951. |
| | £ | £ | £ | £ | £ |
| <i>War Obligations.</i> | | | | | |
| Passes to Soldiers, Superannuation, &c. | 19,652 | 20,663 | 20,099 | 34,680 | 35,074 |
| <i>Local Government.</i> | | | | | |
| Licensing Fund Payment to Municipalities | 58,984 | 58,984 | 58,984 | 58,964 | 58,964 |
| Municipalities Assistance Fund | | | | | 68,547 |
| Other | 56,943 | 132,427 | 128,555 | 136,944 | 32,927 |
| | 115,927 | 191,411 | 187,539 | 195,908 | 160,438 |
| <i>Development and Maintenance of State Resources other than Business Undertakings.</i> | | | | | |
| Land Settlement and Survey | 397,652 | 457,408 | 464,148 | 551,111 | 661,259 |
| Immigration | | 5,485 | 13,789 | 28,186 | 27,623 |
| Mining (excluding State Coal Mine) | 56,815 | 63,354 | 109,583 | 109,654 | 114,239 |
| Agricultural, Pastoral and Dairying* | 486,087 | 544,524 | 668,133 | 805,903 | 1,127,592 |
| Forestry† | 610,530 | 538,616 | 683,771 | 914,008 | 994,656 |
| Fisheries and Game | 24,484 | 31,434 | 36,291 | 46,306 | 60,455 |
| Roads and Bridges— | | | | | |
| Country Roads Board‡ | 1,277,726 | 1,500,613 | 1,699,567 | 2,300,136 | 2,863,732 |
| Metropolitan Roads Fund | 38,759 | 43,235 | 50,174 | 50,200 | 51,449 |
| Other | 1,753 | | | | |
| Tourist Activities | 733 | 669 | 3,020 | 1,992 | 1,003 |
| | 2,894,539 | 3,185,338 | 3,728,476 | 4,807,496 | 5,902,008 |
| <i>Business Undertakings.</i> | | | | | |
| Railways | 12,335,835 | 14,541,706 | 17,009,103 | 19,143,507 | 19,692,249 |
| Harbours, Rivers, and Lights | 127,805 | 115,654 | 142,908 | 142,371 | 153,351 |
| Water Supply, Irrigation, &c. | 1,027,686 | 1,160,754 | 1,272,156 | 1,454,992 | 1,731,829 |
| State Coal Mine | 366,398 | 407,740 | 441,092 | 416,448 | 476,771 |
| Maffra Beet Sugar Factory | 38,648 | 45,640 | 22,157 | 1,291 | |
| Victoria Dock Cool Stores | 52,041 | 56,287 | 67,907 | 82,518 | 66,999 |
| Seasoning Works (Newport) | 53,201 | 57,603 | 60,675 | 56,859 | 54,995 |
| Forest Tramway | 9,327 | 10,962 | 10,168 | 3,150 | 2,156 |
| Distillation of Eucalyptus Oil | 1,073 | 29 | | 5 | |
| Wire Netting Manufacture | 2,991 | 20,199 | 21,945 | 20,190 | 11,123 |
| State Saw Mill | 19,078 | 15,243 | 15,510 | 19,961 | 20,960 |
| Other | 8,755 | 26 | | | |
| | 14,042,838 | 16,431,843 | 19,063,621 | 21,341,292 | 22,210,433 |
| Total Expenditure | 38,907,176 | 44,165,053 | 50,351,178 | 58,546,047 | 67,226,845 |
| | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| Per Head of Population | 19 1 6 | 21 6 11 | 23 16 6 | 26 19 6 | 30 1 1 |

* Excluding Maffra Beet Sugar Factory and Victoria Dock Cool Stores (see Business Undertakings).

† Excluding Newport Seasoning Works, Forest Tramway, Eucalyptus Distillation, and State Saw Mill (see Business Undertakings).

‡ Represents difference between Public Revenue of Country Roads Board and recoups to revenue made by the Board. Details of Country Roads Board Fund expenditure are shown in part "Local Government" of this Year-Book.

For many years prior to 1947-48, Public Revenue exceeded Public Expenditure but since that year deficits have been recorded as shown on page 187. Up to 30th June, 1951, the total amount of this Surplus Revenue authorized for expenditure on Public Works, &c., was £5,593,307, of which £241,038 was unexpended at that date.

The following table shows the expenditure during each of the years 1949 to 1951 and total to 30th June, 1951, exclusive of the amounts applied towards the reduction of the Consolidated Revenue deficit.

VICTORIA—SURPLUS REVENUE EXPENDITURE, 1949 TO 1951, AND TOTAL TO 30TH JUNE, 1951.

| Service. | Year ended 30th June— | | | Total to 30th June, 1951. |
|------------------------------------------------------------|-----------------------|---------------|----------------|---------------------------|
| | 1949. | 1950. | 1951. | |
| | £ | £ | £ | £ |
| Capital Services— | | | | |
| Railways | .. | .. | .. | 250,696 |
| Other | .. | .. | .. | 64,170 |
| Revenue Services— | | | | |
| Social Services— | | | | |
| Education— | | | | |
| State Schools and Technical Schools .. | .. | 3,225 | 6,021 | 726,239 |
| University | .. | .. | .. | 27,066 |
| Other | 233 | 557 | 5,995 | 30,450 |
| Health— | | | | |
| Hospitals— | | | | |
| Mental Hygiene | 55,733 | 49,489 | 5,569 | 301,200 |
| Other (including Sanatoria) .. | 35,266 | 7,146 | 167,819 | 1,600,888 |
| Other Health | 417 | 2,790 | 4,149 | 62,159 |
| Law, Order, and Public Safety— | | | | |
| Penal Establishments and Gaols .. | 432 | 1,323 | 37 | 30,855 |
| Other | .. | .. | .. | 44,446 |
| Public Works— | | | | |
| Crown Lands (including reclamation, drainage, &c.) | .. | .. | .. | 149,480 |
| Harbours, Rivers, and Lights | .. | .. | .. | 117,293 |
| Mining Development | .. | .. | .. | 85,000 |
| Railways | .. | .. | .. | 631,740 |
| Roads and Bridges | .. | .. | .. | 114,812 |
| Water Supply, &c. | 726 | 2,471 | 733 | 113,180 |
| Other | .. | .. | .. | 62,326 |
| Other Purposes— | | | | |
| Developmental Railways Account .. | .. | .. | .. | 129,148 |
| Drought Relief Fund | .. | .. | .. | 123,803 |
| Redemption of Treasury Bonds and Unfunded Debt | .. | .. | .. | 503,802 |
| Victorian Inland Meat Authority .. | .. | .. | .. | 100,000 |
| Other | .. | .. | .. | 83,016 |
| Total | 92,807 | 67,001 | 190,323 | 5,352,269 |

TAXATION.

**State
Income Tax.** A brief summary of the history of income tax in Victoria was published in the 1941-42 *Year-Book*, page 292. Details of the rates of tax, assessments, &c., on income earned during 1940-41 (the last year in which the State imposed income tax) are also shown.

**Common-
wealth
Income Tax
and
Social
Services
Contributions.** Uniformity in the taxation of incomes and entertainments throughout Australia was adopted in 1942, and the Commonwealth became the sole authority levying these taxes. Formerly the Commonwealth and each of the States levied separate taxes on incomes, and each of the States (except Queensland) taxed entertainments. Initially, the plans were devised as temporary war-time measures but, in 1946, the Commonwealth Government passed legislation continuing the uniform income tax indefinitely, and the uniform entertainments tax has been continued in practice. The Social Services Contribution was introduced as from 1st January, 1946.

The States are reimbursed for vacating these fields of taxation by annual grants from the Commonwealth. Payment of these grants is conditional upon a State refraining from levying tax on incomes. A similar restraint upon State taxation of entertainments was suspended as from 1st July, 1946. Reimbursements to the States under this agreement for the year 1950-51 totalled £75,106,664 made up as follows:—New South Wales £30,363,369, Victoria £17,445,851, Queensland £12,272,511, South Australia £6,468,266, Western Australia £6,168,945, and Tasmania £2,387,722.

With the introduction of Social Services Contribution, the levy of taxation on the incomes of individuals was divided into two separate taxes—Income Tax and Social Services Contribution. Both taxes were based upon the same definitions of assessable income and both were assessed and collected concurrently. Company income was not subject to Social Services Contribution except with regard to the undistributed income of private companies. Respecting individuals, the two separate levies of tax and contribution still apply to income derived during the year ended 30th June, 1950, but not thereafter. The two taxes have since been merged into a single levy known as

“ Income Tax and Social Services Contribution ” which title now relates to the tax imposed on the incomes of both individuals and companies. It first applies to the tax imposed on incomes derived by individuals during the year ended 30th June, 1951, and by companies during the year ended 30th June, 1950.

Certain types of income are exempt from tax in Australia. These include income from gold-mining, war, invalid, old-age, and widows' pensions, child endowment, and unemployment and sickness benefits. The service pay of members of the Defence Forces engaged in war service in Korea and Malaya is also exempt.

Expenses incurred in earning income and losses incurred in previous years are allowable deductions.

For the income year 1950-51 Income Tax and Social **Tax on** Services Contribution is payable on the incomes of **Individuals.** individuals commencing at a taxable income of £105. Concessional deductions are allowed to taxpayers on account of dependants, certain medical and dental expenses, life insurance premiums, superannuation, Friendly Society payments, &c., and are deductible from income to calculate taxable income. Dependents include spouse, parents, children under sixteen years of age, student children under nineteen years of age, invalid child, brother, or sister over sixteen years of age, or daughter-housekeeper for widow or widower having care of taxpayer's children under sixteen years of age. A concessional deduction is also allowed in respect of a housekeeper having the care of children under sixteen years of age where the taxpayer is a widow or widower. The amount of concessional deduction allowable in respect of each type of dependant and housekeeper is :—

| | |
|-----------------------------------------------------------------|-------------------|
| | £ |
| Spouse | 104 |
| Parent | 104 |
| Children under sixteen years of age— | |
| One child | 78 |
| Other children | 52 each dependant |
| Student child under nineteen years of age | 78 each dependant |
| Invalid relatives not less than sixteen years of age | 78 each dependant |
| Housekeeper or daughter-housekeeper .. | 104 |

The following table shows the rates of Income Tax and Social Services Contribution for individuals in respect of the income year 1950-51 :—

**INDIVIDUALS—RATES OF INCOME TAX AND
SOCIAL SERVICES CONTRIBUTION.**

The rates of tax and contribution payable, as set out in the *Income Tax and Social Services Contribution Act 1950* are as follows :—

BASIC RATE OF TAX AND CONTRIBUTION.

The rate of income tax and social services contribution for every £1 of each part of the taxable income specified in the first column of the following table is the rate set out in the second column of that table opposite to the reference to that part of the taxable income :—

| First Column. | | | | | | Second Column. |
|---------------------------------------|--------|---------------------|--------|----|----|----------------|
| Parts of Taxable Income. | | | | | | Rates. |
| The part of the taxable income which— | | | | | | Pence in £ |
| Does not exceed £100 | | | | | | 1 |
| | £ | | | £ | | |
| Exceeds | 100 | but does not exceed | 150 | .. | .. | 6 |
| .. | 150 | .. .. . | 200 | .. | .. | 11 |
| .. | 200 | .. .. . | 250 | .. | .. | 16 |
| .. | 250 | .. .. . | 300 | .. | .. | 21 |
| .. | 300 | .. .. . | 400 | .. | .. | 26 |
| .. | 400 | .. .. . | 500 | .. | .. | 32 |
| .. | 500 | .. .. . | 600 | .. | .. | 38 |
| .. | 600 | .. .. . | 700 | .. | .. | 44 |
| .. | 700 | .. .. . | 800 | .. | .. | 48 |
| .. | 800 | .. .. . | 900 | .. | .. | 52 |
| .. | 900 | .. .. . | 1,000 | .. | .. | 56 |
| .. | 1,000 | .. .. . | 1,200 | .. | .. | 64 |
| .. | 1,200 | .. .. . | 1,400 | .. | .. | 72 |
| .. | 1,400 | .. .. . | 1,600 | .. | .. | 80 |
| .. | 1,600 | .. .. . | 1,800 | .. | .. | 88 |
| .. | 1,800 | .. .. . | 2,000 | .. | .. | 96 |
| .. | 2,000 | .. .. . | 2,400 | .. | .. | 104 |
| .. | 2,400 | .. .. . | 2,800 | .. | .. | 112 |
| .. | 2,800 | .. .. . | 3,200 | .. | .. | 120 |
| .. | 3,200 | .. .. . | 3,600 | .. | .. | 128 |
| .. | 3,600 | .. .. . | 4,000 | .. | .. | 136 |
| .. | 4,000 | .. .. . | 4,400 | .. | .. | 144 |
| .. | 4,400 | .. .. . | 5,000 | .. | .. | 152 |
| .. | 5,000 | .. .. . | 6,000 | .. | .. | 160 |
| .. | 6,000 | .. .. . | 8,000 | .. | .. | 168 |
| .. | 8,000 | .. .. . | 10,000 | .. | .. | 176 |
| .. | 10,000 | .. .. . | .. | .. | .. | 180 |

Basic Tax and Contribution is payable on the whole of a person's taxable income if that taxable income exceeds £104.

FURTHER RATES OF TAX AND CONTRIBUTION IN RESPECT OF TAXABLE INCOME DERIVED FROM PROPERTY.

The further rate of income tax and social services contribution for every £1 of each part of the taxable income derived from property specified in the first column of the following table, is the rate set out in the second column of that table opposite to the reference to that part of that taxable income :—

| First Column. | | | | | | Second Column. |
|-------------------------------------------------------------|-------|---------------------|---------|--------|----|----------------|
| Parts of Taxable Income Derived from Property. | | | | | | Rates. |
| The part of the taxable income derived from property which— | | | | | | Pence in £. |
| Exceeds | £ | but does not exceed | £ | .. | .. | 8 |
| " | 1,000 | " | " " " " | 4,000 | .. | 16 |
| " | 4,000 | " | " " " " | 6,000 | .. | 8 |
| " | 6,000 | " | " " " " | 10,000 | .. | 4 |

Further tax and contribution is not payable—

- (a) where the taxable income from property is £100 or less, irrespective of the amount of the total taxable income; and
- (b) where the total taxable income is £400 or less even though the taxable income from property exceeds £100.

Where the taxable income from all sources does not exceed £1,000, the further tax and contribution payable is limited to 1s. in the £1 on the excess of the taxable income over £400.

Deduction for Residents of Isolated Areas.

A deduction is available to individuals who reside in certain remote areas of the Commonwealth or its Territories. The areas are divided into two Zones—A and B. A resident of Zone A is allowed a deduction of £120 while a resident of Zone B is allowed £20. "Resident" for this purpose means a person who resides in the relevant area for more than one half of the year of income. A proportionate deduction is allowed in respect of residence for periods of less than six months.

Deduction for Members of Forces.

A deduction of £120 is allowable to members of the Defence Forces who serve in certain specified overseas localities for a period of more than half of the year of income. A proportionate deduction is allowed if the service is of less duration than one half of the year.

Payment of Income Tax by Instalments.

A system is in operation to assist the majority of taxpayers in the payment of their taxes by means of regular deductions from salaries or wages. The amounts deducted are regulated so that the employee will have paid the approximate amount of his taxation by the end of the income year.

The following table shows the number of taxpayers, taxable and contributable income received, and Social Services Contributions and Income Tax assessed during the year 1949-50 (based on incomes received during 1948-49). The particulars are classified according to grades of taxable and contributable income and relate only to individuals who are resident in Victoria:—

VICTORIA—INCOME TAX AND SOCIAL SERVICES CONTRIBUTIONS, 1949-50.

| Grade of Income | | Tax-payers. | Taxable and Contributable Income. | | | Social Services Contributions. | Net Income Tax Assessed. |
|-----------------|-----------|-------------|-----------------------------------|------------|-------------|--------------------------------|--------------------------|
| | | | Personal Exertion. | Property. | Total. | | |
| £ | £ | No. | £ | £ | £ | £ | £ |
| 105- | 150 .. | 46,624 | 5,286,654 | 694,104 | 5,980,758 | 113,360 | .. |
| 151- | 200 .. | 60,569 | 9,662,350 | 967,035 | 10,629,385 | 314,138 | .. |
| 201- | 250 .. | 65,859 | 13,823,780 | 1,032,749 | 14,856,529 | 581,884 | .. |
| 251- | 300 .. | 72,725 | 18,930,789 | 1,030,680 | 19,961,469 | 978,993 | .. |
| 301- | 350 .. | 65,404 | 20,234,271 | 987,424 | 21,221,695 | 1,172,255 | .. |
| 351- | 400 .. | 75,263 | 27,326,856 | 952,597 | 28,279,453 | 1,566,901 | 68,703 |
| 401- | 500 .. | 169,762 | 74,392,289 | 1,806,731 | 76,199,020 | 4,254,859 | 566,233 |
| 501- | 600 .. | 108,722 | 57,354,257 | 1,612,100 | 58,966,357 | 3,609,327 | 670,488 |
| 601- | 800 .. | 79,258 | 51,237,367 | 2,412,496 | 53,649,863 | 3,734,101 | 1,132,746 |
| 801- | 1,000 .. | 24,868 | 20,189,955 | 1,728,291 | 21,918,246 | 1,613,752 | 976,023 |
| 1,001- | 1,250 .. | 14,379 | 14,284,939 | 1,628,653 | 15,913,592 | 1,185,051 | 1,140,462 |
| 1,251- | 1,500 .. | 8,123 | 9,886,927 | 1,133,064 | 11,019,991 | 824,334 | 1,067,518 |
| 1,501- | 2,000 .. | 9,137 | 13,925,585 | 1,784,558 | 15,710,143 | 1,177,000 | 1,997,901 |
| 2,001- | 3,000 .. | 7,772 | 16,514,778 | 2,053,683 | 18,568,461 | 1,390,362 | 3,257,746 |
| 3,001- | 4,000 .. | 2,846 | 8,422,831 | 1,151,468 | 9,574,299 | 715,354 | 2,212,748 |
| 4,001- | 5,000 .. | 1,236 | 4,560,766 | 771,396 | 5,332,162 | 398,134 | 1,526,427 |
| 5,001- | 10,000 .. | 1,202 | 5,994,015 | 1,424,998 | 7,419,013 | 554,657 | 2,820,070 |
| 10,001- | 15,000 .. | 148 | 1,188,661 | 386,960 | 1,575,621 | 117,818 | 755,522 |
| 15,001 and over | | 87 | 1,220,519 | 504,635 | 1,725,154 | 128,149 | 950,562 |
| Total .. | | 814,034 | 374,437,589 | 24,063,622 | 398,501,211 | 24,430,459 | 19,143,149 |

The rates of tax and contribution payable by companies on incomes derived during the year ended 30th June, 1951, are as follows:—

For every £1 of the taxable income of a company which is not a life assurance company or a private company, the rate of income tax and social services contribution is seven shillings.

In the case of a private company the rates of income tax and social services contribution are—

- (a) for every £1 of so much of the taxable income as does not exceed £5,000—five shillings; and
- (b) for every £1 of the remainder of the taxable income—seven shillings.

For every £1 of the taxable income of a mutual life assurance company, the rate of income tax and social services contribution is six shillings.

In the case of a life assurance company, other than a mutual life assurance company, the rates of income tax and social services contribution are—

- (a) for every £1 of the mutual income—six shillings; and
- (b) for every £1 of the taxable income other than the mutual income—seven shillings.

For every £1 of interest in respect of which a company was liable, in pursuance of sub-section (1) of section one hundred and twenty-five of the Assessment Act, to pay income tax and social services contribution, the rate of income tax and social services contribution is nine shillings.

In addition to the above rates applying for companies a special levy of 2s. in the £ is imposed upon the taxable incomes of public companies. The following exemptions from this additional impost apply:—

- (a) Income derived by—
 - (i) a company in the capacity of trustee;
 - (ii) a mutual life assurance company or the mutual income of a life assurance company;
 - (iii) a co-operative company;
 - (iv) a company which is not carried on for the purposes of profit or gain to its individual members;
- (b) So much of the taxable income of a company which is a non-resident as consists of income from dividends.

In addition, the undistributed income of private companies is subject to additional tax calculated by reference to the aggregate amount of tax and contribution which would have been payable by shareholders had the undistributed amount been actually distributed.

LAND TAX.

The State Land Tax Act of 1928 provides for a tax on the unimproved value of land and for the assessment of land and for other purposes. For the purposes of this Act, unimproved value 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 £1 of the unimproved value thereof, as assessed under the Act, at a rate declared for each year by Act of Parliament. The rate of tax for the year ended 31st December, 1950, was one halfpenny on every £1 of the unimproved value exceeding £250 of land (other than land used for

**State
Land Tax.**

primary production) and £3,000 in respect of land used for primary production. Where the assessed unimproved value exceeded the amount of exemption, the exemption diminished at the rate of £1 for every £1 of such excess, so as to leave no exemption when the unimproved value amounted to, or exceeded £6,000 in the case of land used for primary production and £500 in the case of other land.

An analysis, in specified groups of unimproved values of holdings of the 1951 Land Tax assessments is given in the following table.

**VICTORIA—ANALYSIS OF STATE LAND TAX
ASSESSMENTS, 1951.**

(Based on unimproved values as at 31st December, 1950.)

| Unimproved Values of Holdings Ranging Between— | | | | Number of Taxpayers. | Total Amount of Unimproved Values. | Tax Payable. |
|------------------------------------------------|---------|----|----|----------------------|------------------------------------|--------------|
| £ | £ | | | | £'000 | £ |
| 1 and | 500 | .. | .. | 88,651 | 31,342 | 38,605 |
| 501 " | 600 | .. | .. | 14,487 | 8,036 | 16,343 |
| 601 " | 750 | .. | .. | 12,521 | 8,425 | 16,990 |
| 751 " | 1,000 | .. | .. | 13,067 | 11,370 | 21,860 |
| 1,001 " | 1,500 | .. | .. | 12,643 | 15,360 | 26,150 |
| 1,501 " | 2,000 | .. | .. | 6,740 | 11,595 | 19,487 |
| 2,001 " | 3,000 | .. | .. | 6,451 | 15,898 | 24,653 |
| 3,001 " | 4,000 | .. | .. | 7,470 | 25,835 | 25,227 |
| 4,001 " | 5,000 | .. | .. | 4,293 | 19,225 | 28,669 |
| 5,001 " | 6,000 | .. | .. | 2,467 | 13,596 | 24,813 |
| 6,001 " | 7,000 | .. | .. | 1,544 | 9,985 | 19,768 |
| 7,001 " | 8,000 | .. | .. | 1,074 | 8,087 | 16,182 |
| 8,001 " | 9,000 | .. | .. | 724 | 6,132 | 12,145 |
| 9,001 " | 10,000 | .. | .. | 538 | 5,116 | 10,282 |
| 10,001 " | 15,000 | .. | .. | 1,326 | 16,005 | 32,313 |
| 15,001 " | 20,000 | .. | .. | 517 | 8,913 | 17,761 |
| 20,001 " | 25,000 | .. | .. | 312 | 6,993 | 13,890 |
| 25,001 " | 30,000 | .. | .. | 166 | 4,559 | 9,113 |
| 30,001 " | 35,000 | .. | .. | 101 | 3,266 | 6,532 |
| 35,001 " | 40,000 | .. | .. | 80 | 2,986 | 6,112 |
| 40,001 " | 50,000 | .. | .. | 121 | 5,394 | 10,980 |
| 50,001 " | 75,000 | .. | .. | 119 | 7,233 | 14,987 |
| 75,001 " | 100,000 | .. | .. | 53 | 4,655 | 9,654 |
| 100,001 " | 150,000 | .. | .. | 37 | 4,213 | 8,080 |
| 150,001 " | 200,000 | .. | .. | 16 | 2,688 | 5,477 |
| 200,000 and over | .. | .. | .. | 25 | 10,619 | 22,118 |
| Total | | | | 175,543 | 267,526 | 458,191 |

In the succeeding statement details are shown relating to the assessments made during each of the years 1947 to 1951.

VICTORIA—STATE LAND TAX ASSESSMENTS, 1947 TO 1951.

| Year. | Number of Taxpayers. | Total Tax Payable. | Average Tax Payable per Taxpayer. | Unimproved Value. |
|------------|----------------------|--------------------|-----------------------------------|-------------------|
| | | £ | £ s. d. | £'000 |
| 1947 | 135,017 | 368,266 | 2 14 7 | 191,778 |
| 1948 | 142,419 | 377,789 | 2 13 1 | 196,858 |
| 1949 | 148,573 | 384,044 | 2 11 8 | 225,550 |
| 1950 | 157,645 | 400,410 | 2 10 10 | 235,400 |
| 1951 | 175,543 | 458,191 | 2 12 2 | 267,526 |

Commonwealth Land Tax.

The Commonwealth Government also levies land tax on the lands of the States. Up to and including the year 1941-42 particulars of assessments, &c., for Victoria, were extracted from the report of the Federal Commissioner of Taxation and published in the *Year-Book*. During the period of operation of the National Security (Values of Land Tax) Regulations, however, the compilation of statistics was discontinued and details subsequent to the year 1941-42 are, therefore, not available.

PROBATE DUTIES.

The *Administration and Probate (Estates) Act* No. 5590 of 1951, which came into force as from 1st November, 1951, fixed the rates of duty payable on the estates of deceased persons as follows:—

| On that part of the Final Balance which— | The Rate of Duty for every Pound shall be— |
|-------------------------------------------------|--------------------------------------------|
| Does not exceed £1,500 | d. 12 |
| Exceeds £1,500 but does not exceed £5,000 | 24 |
| “ 5,000 “ “ “ “ 15,000 | 30 |
| “ 15,000 “ “ “ “ 25,000 | 36 |
| “ 25,000 “ “ “ “ 35,000 | 42 |
| “ 35,000 “ “ “ “ 45,000 | 48 |
| “ 45,000 “ “ “ “ 55,000 | 54 |
| “ 55,000 “ “ “ “ 65,000 | 60 |
| “ 65,000 “ “ “ “ 75,000 | 66 |
| “ 75,000 “ “ “ “ 99,500 | 78 |

Where the final balance exceeds £99,500 the duty shall be twenty-two pounds ten shillings per centum of the final balance.

No duty is chargeable on estates where the final balance does not exceed six hundred pounds.

On estates passing to the widow or children or wholly dependent widowed mother of a deceased person a rebate of twelve pence is deducted for every pound of the final balance not exceeding £30,000 provided that where the final balance exceeds £60,000 the rebate shall be the rebate so calculated or the amount of £1,500 reduced by 24 pence for every pound by which the final balance exceeds £60,000, whichever is the less.

Certain exemptions are allowed on the estates of members of the Defence Forces who die on active service or as a result of injuries received or disease contracted on active service provided that the estate is left to widow or widower, brother or sister, lineal descendant or lineal ancestor.

The total amounts of probate duty assessed (including amounts collected by the Public Trustee) for the years 1946-47, 1947-48, 1948-49, 1949-50, and 1950-51 were £2,477,320, £2,105,760, £2,705,749, £2,607,758, and £3,437,509 respectively. Actual collections of probate duty for the years mentioned are shown in the table on page 187.

The Commonwealth Government also levies probate and succession duties. The amount of duty collected throughout Australia in each of the years 1946-47, 1947-48, 1948-49, 1949-50, and 1950-51 was £4,018,620, £4,555,004, £4,740,362, £6,054,250, and £6,400,756 respectively.

COMMONWEALTH, STATE, AND MUNICIPAL TAXATION.

Taxation in Victoria per head of population levied by the Commonwealth, the State, and the Municipalities for each of the years 1946-47 to 1950-51 was as follows:—

COMMONWEALTH, STATE, AND MUNICIPAL TAXATION IN VICTORIA PER HEAD OF POPULATION, 1946-47 TO 1950-51.

| Authority. | 1946-47. | 1947-48. | 1948-49. | 1949-50. | 1950-51. |
|-----------------------------------------|----------|----------|----------|----------|----------|
| | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| Commonwealth* .. | 51 5 7 | 55 5 9 | 62 18 8 | 64 9 5 | 93 10 2 |
| State† | 3 17 10 | 4 0 10 | 4 9 7 | 4 19 8 | 5 18 3 |
| Total (Commonwealth and State) | 55 3 5 | 59 6 7 | 67 8 3 | 69 9 1 | 99 8 5 |
| Municipal | 2 5 7 | 2 9 6 | 2 14 2 | 2 19 8 | 3 9 3 |
| Grand Total .. | 57 9 0 | 61 16 1 | 70 2 5 | 72 8 9 | 102 17 8 |

* Average taxation per head collected throughout Australia by the Commonwealth Government on account of taxation derived from the following sources:—Customs, Excise, Estate and Gift Duties; Income, Land, Sales, Entertainment, War-time Company, Gold, Pay-roll and Flour Taxes, Social Services Contributions, Wool, Wheat, and Stevedoring Industry charges.

† Excluding payments by the Commonwealth under the Income Tax and Entertainments Tax Reimbursement Acts of 1942 and the States Grants (Tax Reimbursement) Act of 1946.

TAXATION COLLECTIONS—AUSTRALIAN STATES.

The following statement gives particulars of the total taxation collections (irrespective of whether such moneys had been paid into Consolidated Revenue or not) by each of the Australian States during the years 1946-47 to 1950-51. The information has been dissected with a view to showing separately the actual collections by each State and the amounts received by each State from the Commonwealth under the provisions of the Income and Entertainments Tax Reimbursements Acts of 1942 and the States Grants (Tax Reimbursement Act 1946 :—

STATE TAXATION COLLECTIONS—TOTAL AND PER HEAD OF POPULATION, 1947 TO 1951.

| Year ended 30th June— | New South Wales. | Victoria. | Queens- land. | South Australia. | Western Australia. | Tasmania. | Total All States. |
|--------------------------------|----------------------------|--------------------|--------------------|---------------------|-----------------------|-------------------|----------------------|
| TOTAL COLLECTIONS. | | | | | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| 1947 | { (a) 10,979 (b) 16,128 | { 7,943 8,770 | { 4,103 6,564 | { 2,293 3,436 | { 1,573 3,352 | { 1,562 1,214 | { 28,453 39,464 |
| 1948 | { (a) 13,003 (b) 18,302 | { 8,364 9,882 | { 4,694 7,357 | { 2,437 3,884 | { 1,933 3,793 | { 1,732 1,370 | { 32,163 44,588 |
| 1949 | { (a) 14,412 (b) 21,878 | { 9,463 12,027 | { 5,407 8,813 | { 3,038 4,623 | { 2,099 4,482 | { 2,005 1,665 | { 36,424 53,488 |
| 1950 | { (a) 16,584 (b) 25,331 | { 10,814 14,237 | { 6,141 10,215 | { 3,475 5,367 | { 2,518 5,151 | { 2,246 1,970 | { 41,778 62,271 |
| 1951 | { (a) 20,849 (b) 30,363 | { 13,226 17,446 | { 7,718 12,273 | { 4,347 6,468 | { 2,977 6,169 | { 2,559 2,388 | { 51,676 75,107 |
| PER HEAD OF POPULATION. | | | | | | | |
| | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| 1947 | { (a) 3 14 1 (b) 5 8 10 | { 3 17 10 4 6 0 | { 3 14 9 5 19 8 | { 3 11 8 5 7 3 | { 3 3 4 6 14 9 | { 6 2 8 4 15 6 | { 3 15 8 5 5 4 |
| 1948 | { (a) 4 6 6 (b) 6 1 9 | { 4 0 10 4 15 6 | { 4 4 5 6 12 3 | { 3 14 9 5 19 1 | { 3 16 0 7 9 1 | { 6 12 4 5 4 8 | { 4 4 5 5 17 2 |
| 1949 | { (a) 4 14 1 (b) 7 2 10 | { 4 9 7 5 13 10 | { 4 15 4 7 15 4 | { 4 11 4 6 19 0 | { 4 0 5 8 11 8 | { 7 9 6 6 4 1 | { 4 13 8 6 17 9 |
| 1950 | { (a) 5 4 7 (b) 7 19 9 | { 4 19 8 6 11 2 | { 5 5 7 8 15 8 | { 5 1 2 7 16 4 | { 4 12 3 9 8 9 | { 8 2 0 7 2 0 | { 5 4 2 7 15 4 |
| 1951 | { (a) 6 7 4 (b) 9 5 6 | { 5 18 3 7 16 0 | { 6 9 5 10 5 9 | { 6 2 3 9 2 0 | { 5 4 2 10 16 0 | { 8 18 0 8 6 0 | { 6 4 11 9 1 7 |

(a) State Taxation collections.

(b) Payments by the Commonwealth to the States under Income and Entertainments Tax Reimbursement Acts of 1942 and the States Grants (Tax Reimbursement) Act of 1946.

The total taxation collected by the Commonwealth and all States for each of the years 1946-47 to 1950-51 is shown hereunder :—

**COMMONWEALTH AND ALL STATES—TAXATION
COLLECTIONS, 1947 TO 1951.**

| Year ended 30th June— | Taxation by Commonwealth Government. | Taxation by all State Governments.* | Total Taxation. | |
|--------------------------|--------------------------------------------|-------------------------------------------|-----------------|----------------------------|
| | | | Amount. | Per Head of Population. |
| | £'000 | £'000 | £.000 | £ s. d. |
| 1947 | 385,616 | 28,453 | 414,069 | 55 1 5 |
| 1948 | 422,413 | 32,163 | 454,576 | 59 10 0 |
| 1949 | 490,813 | 36,424 | 527,237 | 67 12 1 |
| 1950 | 518,959 | 41,778 | 560,737 | 69 13 3 |
| 1951 | 777,187† | 51,676 | 828,863† | 99 14 7 |

* Excluding payments by the Commonwealth to the States under Income and Entertainments Tax Reimbursement Acts of 1942 and the States Grants (Tax Reimbursement) Act of 1946.

† Includes Wool Deduction £109,531,000 and Wool Contribution Charge £44,844,000.

PENSIONS AND GRATUITIES.

**Pension and
Superannua-
tion Schemes
in Force.**

A statement of Pension and Superannuation schemes in force at 30th June, 1928, in the Public Services of Victoria, was published in the *Year-Book* for 1928-29, page 98.

**Cost of
Pensions and
Gratuities.**

During the year 1950-51, the State Government expended a sum of £1,944,174 on pensions, gratuities, &c. Of this amount, £54,856 was spent on pensions of a non-contributory nature. The remainder represents payments from State revenue to the Police Superannuation Fund, the Police Pensions Fund, the Superannuation Fund, the Coal Mine Workers' Pensions Fund, and the Parliamentary Contributory Retirement Fund. Act No. 5464, which came into force on 30th June, 1950, provided for an increase of 20 per cent. in non-contributory pensions of less than £468 per annum and in widow's pensions of less than £234 per annum with a proviso that such pensions shall not exceed £468 per annum or (in the case of a widow's pension) £234 per annum. The following table gives details of the State Government expenditure on pensions for each of the years 1946-47 to 1950-51 :—

VICTORIA—GOVERNMENT EXPENDITURE ON PENSIONS,
GRATUITIES, ETC., 1947 TO 1951.

| Heading. | Year ended 30th June— | | | | |
|----------------------------------------------------------------|-----------------------|------------------|------------------|------------------|------------------|
| | 1947. | 1948. | 1949. | 1950. | 1951. |
| | £ | £ | £ | £ | £ |
| Non-Contributory Pensions, &c.— | | | | | |
| Railways | 40,301 | 35,511 | 40,629 | 30,318 | 28,052 |
| Lunacy | 3 | .. | .. | .. | .. |
| Judges | 3,375 | 2,395 | 2,250 | 2,688 | 4,000 |
| Civil Service | 869 | 376 | 298 | 272 | 326 |
| Public Service | 33,775 | 27,396 | 28,472 | 21,877 | 20,494 |
| Education Department .. | | | | | |
| Officers transferred to Commonwealth Service | 3,312 | 2,700 | 2,300 | 1,540 | 1,166 |
| Various Allowances, &c. .. | 925 | 925 | 1,015 | 864 | 818 |
| Total Non-contributory Pensions, Gratuities, &c. .. | 82,560 | 69,303 | 74,964 | 57,559 | 54,856 |
| Contributory Pensions— | | | | | |
| Police Superannuation Fund— | | | | | |
| Government Subsidy .. | 16,962 | 6,868 | 3,035 | 23,698 | 15,192 |
| Transferred from Licensing Fund (Act No. 3717) .. | 23,000 | 23,000 | 23,000 | 23,000 | 23,000 |
| Fines | 21,378 | 25,233 | 26,038 | 29,075 | 33,955 |
| Total | 61,340 | 55,101 | 52,073 | 75,773 | 72,147 |
| Police Pensions Fund | 151,800 | 161,800 | 175,800 | 261,800 | 341,700 |
| The Superannuation Fund— | | | | | |
| Railways | 426,425 | 513,098 | 602,823 | 625,698 | 898,179 |
| Other | 280,071 | 333,657 | 394,668 | 409,941 | 539,925 |
| Total | 706,496 | 846,755 | 997,491 | 1,035,639 | 1,438,104 |
| Coal Mine Workers' Pensions Fund | 18,864 | 28,872 | 32,103 | 34,084 | 35,970 |
| Parliamentary Contributory Retirement Fund | .. | 3,581 | .. | .. | 1,397 |
| Total Contributory Pensions | 938,500 | 1,096,109 | 1,257,467 | 1,407,296 | 1,889,318 |
| GRAND TOTAL | 1,021,060 | 1,165,412 | 1,332,431 | 1,464,855 | 1,944,174 |

Police Superannuation Fund. This Fund is maintained by an annual subsidy of £2,000 from the Consolidated Revenue; by a moiety of the fines inflicted by the Court of Petty Sessions; by transfers from the Licensing Fund under the provisions of Act No. 3717; and, should the foregoing sources prove insufficient, by a further grant in aid from the Consolidated Revenue.

During the year 1950-51 the total receipts of the fund from Government Revenue amounted to £72,148, all of which was expended on pensions.

Pensions are payable out of this fund only to those who joined the Police Force prior to the 25th November, 1902. There are now no members of the Police Force contributing to the fund.

Police Pensions Fund. Under Act No. 3750, which came into operation on 1st January, 1924, pensions are provided for those members of the Police Force who have joined since 25th November, 1902, as well as to persons who may enter the Force in the future. The main provisions of the principal Act were published in the *Year-Book* for 1928-29, page 100. The principal Act was amended by the *Police Regulation Act* No. 4592 of 1938 and the *Police Regulation (Amendment) Act* No. 5359 of 1948. Brief reference to the principal provisions of these Acts is made in previous issues of the *Year-Book*. Further amending legislation is contained in the *Police Regulation (Amendment) Act* No. 5448 of 1949, the *Police Regulation (Pensions) Act* No. 5460 of 1950 and the *Police Regulation (Amendment) Act* No. 5467 of 1950. The main effect of these Acts was to further increase the pension payable to a pensioner. The pension payable to the widow of a deceased contributor or pensioner was also increased.

The receipts of the Police Pensions Fund (established under Act No. 3750) during 1950-51 amounted to £549,206, comprising:—Deductions from pay, £74,786; special appropriation, £341,700; interests on investments, £132,720. During the year £182,361 was paid in pensions, £1,063 in gratuities, and £5,171 represented deductions from pay returned. There was a balance of £4,188,411 in the Fund at 30th June, 1951, of which £4,123,795 was invested.

The Superannuation Fund. On 24th November, 1925, legislation was enacted by the State Parliament making provision on a contributory basis for superannuation benefits for public servants and railway employees. Contributions of officers, amounts received from the Government, and income from investments are paid into the Superannuation Fund and benefits provided by the Act are paid therefrom. Act No. 3782 of 1928 consolidated existing legislation

regarding the Fund. Brief references to the more important amendments to that Act have been made in the *Year-Books* of 1928-29 and subsequent issues. Amending legislation relating to the Fund is contained in the *Superannuation Act 1947* (No. 5255) the principle provisions of which appeared in the *Year-Book* for 1948-49. Act No. 5453, which came into force on 30th June, 1950, provided *inter alia* for an increase in the unit value from £32 10s. to £39. Pension payments for the child of a deceased contributor or pensioner were also increased from £13 to £19 10s. per unit. The Consolidated Revenue or the Railway Revenue (as the case may be) bear the additional charge.

The number of contributors to the Fund at 30th June, 1951, was 31,457—males 27,416 and females 4,041.

During the year 1950-51, the receipts of the Superannuation Fund amounted to £2,916,726, consisting of contributions from officers, £1,086,497; from Consolidated Revenue, £1,433,138*; interest on investments, £395,608; and other receipts, £1,483. The total payments from the fund during the year were £1,931,573, and comprised pensions, £1,709,552*; refund of contributions, £119,926; retrenchments, £101,680; and other expenditure, £415. The balance in the Fund at 30th June, 1951, was £12,154,750 of which £12,148,900 was invested.

This fund does not receive contributions from the Government but is maintained by deduction from pilots' earnings and annual income derived from investment of moneys belonging to the Fund which, in 1950-51 amounted to £11,447 and £6,019 respectively. During the same period, £8,716 was expended on pensions.

This fund was established under Act No. 4932 of 1942 which provided for the payment of retiring pensions to mine workers (who before retirement have qualified for such pensions by reason of the length of service in the coal mining industry) in one of the several ways specified in the Act and for the payment of disablement pensions to such qualified mine workers who are totally or partially incapacitated by injury. Provision is also made for the payment of additional amounts in respect of dependants.

* This figure does not agree with that shown on page 187, which includes Consolidated Revenue's share of pensions accrued to 30th June.

Amendments to the principal Act are contained in Acts No. 5223 of 1947, No. 5313 of 1948, and No. 5436 of 1949. Each of these Acts provided *inter alia*, for progressive increases in the original rates of pension payable to a miner or his dependants.

During 1950-51 the Treasurer contributed £13,470 to the fund and the State Coal Mines (as owners) £22,500.

**Parliamentary
Contributory
Retirement
Fund.**

This fund was established under authority of the *Parliamentary Contributory Retirement Fund Act*, No. 5185, of 24th December, 1946, to provide pensions for ex-members of the Victorian Parliament. Originally members were obliged to contribute to the Fund at the rate of one pound per fortnight but amending legislation, which became operative on 1st July, 1948, increased members' subscriptions to two pounds per fortnight and also fixed the amounts of lump sum payments to be made. Under the provisions of Act No. 5587, which came into operation on 7th November, 1951, members now contribute to the Fund at the rate of £3 10s. per fortnight. Should there be insufficient funds available to pay pensions, &c., under the Act, then the additional amounts required shall be paid from the Consolidated Revenue.

Every person who has ceased to be a member and has served as a member for at least fifteen years, or for at least three Parliaments, is entitled to be paid out of the fund, a pension fortnightly at the rate of the basic wage payable in Melbourne.

Provision is also made for payments of certain sums to ex-members who do not fulfill the conditions necessary for a pension and the payment of a pension to the widow of a deceased member or ex-member at a rate equivalent to the amount that would have been paid or was being paid to the deceased.

All payments out of the fund are subject to the approval of trustees appointed to administer the fund.

During the year ended 30th June, 1951, receipts of the fund amounted to £6,510 made up of contributions from members £5,113 and Special Appropriations £1,397. Pension and lump sum payments from the fund amounted to £9,029.

**STATE GOVERNMENT, LOCAL GOVERNMENT, SEMI-
GOVERNMENTAL AND OTHER PUBLIC BODIES—
REVENUE AND EXPENDITURE.**

In the following statements ordinary revenue and expenditure of the State Government, Local Government, and certain semi-Governmental and other Public Bodies in Victoria have been combined for each of the five years 1946 to 1950. Where a grant has been made by one authority to another, such grant has been excluded from both the revenue and expenditure of the recipient.

**VICTORIA—STATE GOVERNMENT, LOCAL GOVERNMENT,
SEMI-GOVERNMENTAL AND OTHER PUBLIC BODIES—
REVENUE AND EXPENDITURE, 1946 TO 1950.**

| Heading. | Financial Year ended in— | | | | |
|--------------------------------------------|--------------------------|-------------------|-------------------|-------------------|-------------------|
| | 1946. | 1947. | 1948. | 1949. | 1950. |
| <i>Revenue.</i> | £ | £ | £ | £ | £ |
| State Government | 36,145,563 | 38,641,893 | 43,291,393 | 48,613,005 | 57,839,642 |
| Local Government | 8,651,614 | 9,380,827 | 10,640,088 | 12,141,432 | 13,595,358 |
| Semi-Governmental and other Public Bodies— | | | | | |
| Water Supply and Sewerage .. | 2,983,686 | 3,080,749 | 3,247,777 | 3,493,601 | 3,616,152 |
| Irrigation | 78,779 | 78,061 | 92,386 | 103,717 | 92,769 |
| Harbors | 1,001,189 | 1,052,077 | 1,215,154 | 1,477,273 | 1,666,718 |
| Tramways | 4,020,940 | 3,869,651 | 3,856,553 | 4,126,278 | 3,679,785 |
| Electricity Supply | 6,160,185 | 6,399,510 | 7,147,490 | 8,805,818 | 10,338,657 |
| Fire Brigades | 191,930 | 195,391 | 220,791 | 236,059 | 317,752 |
| Housing Commission | 169,039 | 281,310 | 450,658 | 668,122 | 1,159,180 |
| Grain Elevators Board | 195,237 | 190,384 | 227,687 | 235,665 | 282,748 |
| Western Metropolitan Market Trust | 3,080 | 4,626 | 3,300 | 3,659 | 3,600 |
| Total | 59,601,242 | 63,174,479 | 70,393,277 | 79,904,719 | 92,592,361 |
| <i>Ordinary Expenditure.</i> | | | | | |
| State Government | 36,139,829 | 38,636,860 | 43,845,097 | 49,995,876 | 58,098,452 |
| Local Government | 8,936,867 | 9,766,885 | 11,175,041 | 12,385,142 | 13,851,229 |
| Semi-Governmental and other Public Bodies— | | | | | |
| Water Supply and Sewerage .. | 2,993,088 | 3,191,344 | 3,297,770 | 3,539,657 | 3,693,944 |
| Irrigation | 73,095 | 67,336 | 90,643 | 114,662 | 136,568 |
| Harbors | 950,304 | 1,056,411 | 1,074,786 | 1,230,022 | 1,240,584 |
| Tramways | 3,986,361 | 3,890,645 | 4,035,010 | 4,375,344 | 4,327,786 |
| Electricity Supply | 6,096,722 | 6,310,110 | 7,360,561 | 8,776,517 | 10,588,025 |
| Fire Brigades | 157,708 | 188,406 | 187,602 | 222,001 | 266,874 |
| Housing Commission | 149,755 | 265,719 | 419,190 | 751,486 | 1,202,787 |
| Grain Elevators Board | 191,004 | 187,666 | 223,503 | 231,560 | 273,800 |
| Western Metropolitan Market Trust | 3,519 | 3,396 | 3,339 | 3,648 | 3,578 |
| Total | 59,678,252 | 63,564,778 | 71,712,542 | 81,625,915 | 93,683,627 |

PUBLIC DEBT.

The following statement shows the result of loan transactions, including Treasury Bonds in aid of revenue, to 30th June, 1951 :—

LOANS RAISED AND REDEEMED TO 30TH JUNE, 1951.

| | | £ |
|-----------------------------------------------------------------|---------|---------------|
| Cash received | .. .. . | 1,295,303,569 |
| Discount and expenses after deducting premiums | .. .. . | 9,771,840 |
| Securities issued | .. .. . | 1,305,075,409 |
| Add liability to Commonwealth on account of flotation in course | .. .. . | 14,289,800 |
| | | 1,319,365,209 |
| Loans redeemed by— | | £ |
| Renewal Loans | .. .. . | 1,012,027,002 |
| National Debt Sinking Fund | .. .. . | 30,135,483 |
| Other Funds | .. .. . | 24,062,803 |
| Discount (securities purchased under par) | .. .. . | 83,739 |
| Liability transferred to Commonwealth Government Act No. 4246 | .. .. . | 2,160,960 |
| Premium (securities redeemed above par) | .. .. . | Cr. 37,491 |
| | | 1,068,432,496 |
| Loans outstanding on 30th June, 1951 | .. .. . | 250,932,713 |

It will be seen that, upon the transactions to 30th June, 1951, securities representing £1,305,075,409 were issued, and that the amount of cash received was £1,295,303,569. The State thus received £99 5s. 3d. in cash for every £100 bond given.

The following table gives particulars relating to the loans raised in London, New York, and Melbourne, and shows the amounts which were outstanding at 30th June, 1951 :—

VICTORIA—LOANS FLOATED TO 30TH JUNE, 1951.

| Heading. | Nominal Amount Raised (Amount for which Securities have been Issued). | Loans Paid off (including Renewal Loans). | Debt Outstanding at 30th June, 1951. | | |
|-----------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------|--------------------------------------|-----------------|-------------|
| | | | Inscribed Stock. | Debentures, &c. | Total. |
| | £ | £ | £ | £ | £ |
| London Register | .. *623,911,629 | 574,129,672 | 1,863,483 | 47,918,474 | †49,781,957 |
| Melbourne Register | .. 681,163,780 | 494,302,824 | 180,517,674 | 6,343,282 | 186,860,956 |
| Total | .. 1,305,075,409 | 1,068,432,496 | 182,381,157 | 54,261,756 | 236,642,913 |
| Add liability to Commonwealth on account of flotation in Course | .. .. . |  |  |  | 12,289,800 |
| " " " " " " " Temporary Advances | .. .. . |  |  |  | 2,000,000 |
| Total Public Debt at 30th June, 1951 | .. .. . |  |  |  | 250,932,713 |

* Including loans raised in New York through the Commonwealth Government amounting to £7,070,913.

† Including £4,486,107 raised in New York through the Commonwealth Government.

Particulars concerning the due dates of loans outstanding at 30th June, 1951, are given in the following table. Where the Government had the option of redemption during a specified period, the loans have been classified according to the latest date of maturity:—

DUE DATES OF VICTORIAN LOANS AT 30TH JUNE, 1951.

| Due Date (Financial Year). | Repayable in London. | Repayable in Australia. | Total |
|-------------------------------|-------------------------|----------------------------|--------------------|
| | £ | £ | £ |
| 1951-52 | 5,805,525 | 5,621,270 | 11,426,795 |
| 1952-53 | .. | 3,415,270 | 3,415,270 |
| 1953-54 | .. | 6,769,342 | 6,769,342 |
| 1954-55 | .. | 8,923,710 | 8,923,710 |
| 1955-56 | 1,863,483* | 5,017,265 | 6,880,748 |
| 1956-57 | 947,704* | 2,381,310 | 3,329,014 |
| 1957-58 | .. | 9,822,166 | 9,822,166 |
| 1958-59 | 13,553,800 | 8,415,385 | 21,969,185 |
| 1959-60 | .. | 19,719,314 | 19,719,314 |
| 1960-61 | 650,075 | 16,000,330 | 16,650,405 |
| 1961-62 | 728,655* | 9,212,180 | 9,940,835 |
| 1962-63 | .. | 14,522,212 | 14,522,212 |
| 1963-64 | .. | 24,555,550 | 24,555,550 |
| 1964-65 | .. | 46,316,062 | 46,316,062 |
| 1965-66 | 1,989,400 | 11,477,800 | 13,467,200 |
| 1966-67 | 6,844,465† | .. | 6,844,465 |
| 1967-68 | 8,421,100 | .. | 8,421,100 |
| 1969-70 | 8,977,750 | .. | 8,977,750 |
| 1982-83 | .. | 3,674,635 | 3,674,635 |
| Not yet fixed | .. | 5,306,945 | 5,306,945 |
| Total | 49,781,957 | 201,150,756 | 250,932,713 |

* Raised in New York by the Commonwealth Government, but repayable by State Treasurer to Agent-General in London.

† Including £946,265 raised in New York.

**Loans and
interest
payable in
London and
Australia.**

In the succeeding statement of the Public Debt of Victoria at various dates, loans repayable outside Australia and the annual interest payable thereon are shown separately. Particulars relating to New York loans are included as indicated in the note to the statement.

In the subsequent statements "interest payable" does not include the cost of paying interest overseas. Particulars of exchange paid in each of the years 1946-47 to 1950-51 are shown on page 217.

All tables in the *Year-Book* relating to the Public Debt show the Oversea Debt of Victoria in Australian currency, but at the time of repayment it will entail the use of sterling or dollars as the case may be.

During 1931-32, the conversion of Victoria's portion of the internal debt of the Commonwealth and States of Australia was effected as provided for by the Debt Conversion Agreement Acts (Nos 1 and 2) of 1931. The conversion was based on a reduction of 22½ per cent. of the interest rates payable on the then existing securities.

VICTORIA—PUBLIC DEBT AND INTEREST PAYABLE
THEREON IN LONDON AND AUSTRALIA, 1900 TO 1951.

| At 30th June— | Amount of Loans Repayable in— | | Annual Interest Payable in— | |
|---------------|-------------------------------|-------------|-----------------------------|------------|
| | London.* | Australia. | London. | Australia. |
| | £ | £ | £ | £ |
| 1900 | 44,655,579 | 4,670,306 | 1,735,307 | 152,096 |
| 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 |
| 1920 | 42,406,040 | 45,241,699 | 1,637,615 | 1,902,108 |
| 1925 | 51,869,204 | 79,300,361 | 2,319,486 | 3,999,635 |
| 1930 | 68,750,235 | 93,538,759 | 3,225,754 | 4,831,371 |
| 1935 | 67,638,378 | 106,522,285 | 2,651,050 | 3,930,414 |
| 1940 | 66,963,733 | 113,586,235 | 2,623,176 | 4,274,672 |
| 1945 | 65,834,565 | 113,570,626 | 2,515,982 | 3,840,676 |
| 1950 | 50,057,125 | 167,355,700 | 1,627,183 | 5,463,834 |
| 1951 | 49,781,957 | 201,150,756 | 1,618,349 | 6,210,549 |

* Loans raised in New York by the Commonwealth Government are included as follows :—
(At 30th June) 1930 and 1931, £4,658,461 ; 1932, £4,648,084 ; 1933, £4,615,021 ; 1934, £4,592,459 ; 1935, £4,569,473 ; 1936, £4,547,877 ; 1937, £4,530,842 ; 1938, £4,517,207 ; 1939 to 1946, £4,498,878 ; 1947, £4,500,603 ; 1948, £4,570,562 ; 1949, £4,548,370 ; 1950, £4,516,725 ; 1951, £4,486,107.

The appended table shows the rates of interest which were payable on the public debt at 30th June, 1951, and the portions of the debt at each rate in London and Australia respectively.

VICTORIA—RATES OF INTEREST ON PUBLIC DEBT AT 30TH JUNE, 1951.

| Rate of Interest. | Amount Repayable in— | | |
|----------------------------------|----------------------|-------------|-------------|
| | London. | Australia. | Total. |
| Per cent. | £ | | £ |
| 5 | 1,863,483* | .. | 1,863,483 |
| 4 | .. | 117,000 | 117,000 |
| 3 $\frac{7}{8}$ | .. | 13,798,821 | 13,798,821 |
| 3 $\frac{3}{4}$ | .. | 4,678,360 | 4,678,360 |
| 3 $\frac{5}{8}$ | .. | 107,000 | 107,000 |
| 3 $\frac{1}{2}$ | 20,398,265† | 254,650 | 20,652,915 |
| £3 9s. 9d. | .. | 500 | 500 |
| 3 $\frac{3}{8}$ | 728,655* | .. | 728,655 |
| 3 $\frac{1}{4}$ | 10,575,529‡ | 45,778,921 | 56,354,450 |
| 3 $\frac{1}{8}$ | .. | 116,385,414 | 116,385,414 |
| £3 2s. | .. | 314,890 | 314,890 |
| 3 | 10,410,500 | 1,247,784 | 11,658,284 |
| £2 14s. 3d. | .. | 132,456 | 132,456 |
| 2 $\frac{1}{2}$ | .. | 1,525 | 1,525 |
| £2 6s. 6d. | .. | 710,579 | 710,579 |
| 2 $\frac{1}{4}$ | 5,805,525 | .. | 5,805,525 |
| 2 | .. | 11,948,221 | 11,948,221 |
| 1 | .. | 3,674,635 | 3,674,635 |
| $\frac{3}{4}$ | .. | 2,000,000 | 2,000,000 |
| Total | 49,781,957 | 201,150,756 | 250,932,713 |
| | % | % | % |
| Average rate of interest | 3·25 | 3·09 | 3·12 |

* Raised in New York by the Commonwealth Government.

† Including £946,265 raised in New York.

‡ Including £947,704 raised in New York.

The growth of the public debt of Victoria since the establishment of responsible government in 1855 is illustrated in the next statement.

During 1928-29, the amount at credit of the State Redemption and Sinking Funds—£5,540,369—was applied to the liquidation of the public debt, and in 1934-35, the debt was decreased by the transfer of a liability amounting to £2,160,960 from the State to the Commonwealth Government under Act No. 4246. From £174,160,663 at

30th June, 1935—the first occasion on which the debt was less than that of the immediately preceding year—the public debt increased steadily until it reached the amount of £181,219,188 at 30th June, 1941. Although the Public Debt decreased during each of the years 1941–42 to 1943–44, it increased during each of the years 1944–45 to 1950–51, and at 30th June, 1951, amounted to £250,932,713.

The tables in this *Year-Book* relating to the Public Debt do not include an amount of £32,200,000 advanced to Victoria by the Commonwealth under the provisions of the Commonwealth–State Housing Agreement. Under the conditions of the Agreement the Commonwealth agreed to make Loan advances to the State to facilitate the financing and construction of dwelling units through the agency of the State Housing Commission. The amounts so advanced are funded at the end of each financial year and the Housing Commission is required to meet from its revenues all interest and redemption charges incidental to the repayment of each year's loan advances by equal instalments over a period of 53 years. Up to 30th June, 1951, repayments of the principal amounted to £569,349.

VICTORIA—GROWTH OF PUBLIC DEBT AND INTEREST,
1855 TO 1950–51.

| Financial Year ending 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* .. | 1,180,000 | 70,800 | 6·00 | 3 4 9 | 0 3 11 |
| 1860 .. | 5,643,100 | 337,905 | 5·99 | 10 9 10 | 0 12 7 |
| 1870* .. | 12,099,800 | 699,240 | 5·78 | 16 13 1 | 0 19 3 |
| 1880 .. | 20,567,700 | 1,029,991 | 5·01 | 24 9 4 | 1 4 6 |
| 1890 .. | 41,377,693 | 1,649,465 | 3·99 | 36 19 11 | 1 9 6 |
| 1900 .. | 49,325,885 | 1,887,403 | 3·83 | 41 6 8 | 1 11 8 |
| 1910 .. | 55,576,725 | 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 |
| 1925 .. | 131,169,565 | 6,319,121 | 4·82 | 78 9 11 | 3 16 3 |
| 1930 .. | 162,288,994 | 8,057,125 | 4·96 | 90 18 7 | 4 10 7 |
| 1935 .. | 174,160,663 | 6,581,464 | 3·78 | 94 15 2 | 3 11 8 |
| 1940 .. | 180,549,968 | 6,897,848 | 3·82 | 94 17 2 | 3 12 5 |
| 1945 .. | 179,405,191 | 6,356,658 | 3·54 | 89 2 0 | 3 3 2 |
| 1950 .. | 217,412,825 | 7,091,017 | 3·26 | 98 13 11 | 3 4 5 |
| 1951 .. | 250,932,713 | 7,828,898 | 3·12 | 110 11 7 | 3 9 0 |

* Including outstanding liabilities of the Melbourne and Geelong Corporations Guarantee Loans.

The following table shows the capital liability of the State at 30th June, 1951, in respect of its public works and services. The apportionment of the State's equity in the National Debt Sinking Fund is also shown :—

VICTORIA—SUMMARY OF CAPITAL LIABILITY UNDER THE VARIOUS WORKS AND SERVICES, TOGETHER WITH THE APPORTIONMENT OF THE STATE'S EQUITY IN THE NATIONAL DEBT SINKING FUND AT 30TH JUNE, 1951.

| Works or Services. | Liability. | Deduction on Account of National Debt Sinking Fund. | Net Liability. |
|---------------------------------|-------------|-----------------------------------------------------|----------------|
| | £ | £ | £ |
| Railways*— | | | |
| As reduced | 63,851,079 | 7,384,656 | 56,466,423 |
| Transferred | 30,684,947 | 4,463,324 | 26,221,623 |
| Country Waterworks | 46,791,276 | 4,412,084 | 42,379,192 |
| Electricity Supply | 19,835,446 | 2,778,288 | 17,057,158 |
| Land Settlement | 25,077,934 | 4,979,894 | 20,098,040 |
| Soldier Settlement | 20,608,394 | 233,110 | 20,375,284 |
| Grain Elevators Board | 815,553 | 58,956 | 756,597 |
| Housing Commission | 952,206 | 82,744 | 869,462 |
| Country Roads | 11,583,612 | 1,784,394 | 9,799,218 |
| Public Works, Buildings, &c. .. | 29,129,320 | 1,175,944 | 27,953,376 |
| Forests | 7,754,580 | 241,925 | 7,512,655 |
| Unemployment Relief | 12,034,775 | 1,270,495 | 10,764,280 |
| Rural Finance Corporation | 849,976 | 1,376 | 848,600 |
| In Aid of Revenue | 7,185,212 | 1,341,038 | 5,844,174 |
| Unapportioned | 2,406,125 | .. | 2,406,125† |
| Total | 279,560,435 | 30,208,228 | 249,352,207 |

* The *Railways (Finances Adjustment) Act* No. 4429 provided for the reduction of railway loan liability by the sum of £30,000,000 on 1st July, 1937, and for the transfer of that amount to the "Reduction of Railway Loan Liability Account".

† Including £2,000,000 temporary advance from Commonwealth Government.

A reconciliation between the Public Debt as 30th June, 1951, and the net liability shown in the preceding table is given hereunder:—

| | £ | £ |
|------------------------------------------------------------------|------------|--------------------|
| Public Debt at 30th June, 1951 | | 250,932,713 |
| <i>Deduct</i> Cash at Credit of National Debt Sinking Fund | 72,744 | |
| <i>Deduct</i> Repayments to State Loans Repayment Fund | 28,019,195 | |
| | | <u>28,091,939</u> |
| | | 222,840,774 |
| <i>Add</i> Expenditure from the State Loans Repayment Fund | | 26,511,433 |
| | | <u>249,352,207</u> |

In addition to the ordinary expenditure from revenue, certain sums are disbursed annually for various purposes from Loans and on account of Loan Funds. The figures in the following table include all such expenditure, whether the loans have been repaid or are still in existence. The table shows the details for each of the years 1947-48 to 1950-51 and the total to 30th June, 1951:—

VICTORIA—EXPENDITURE FROM LOAN FUNDS AND ON ACCOUNT OF LOANS, 1947-48 TO 1950-51.

| Expenditure on— | During the Year Ended 30th June— | | | | Total to 30th June, 1951. |
|--------------------------------|----------------------------------|-----------|-----------|-----------|---------------------------|
| | 1948. | 1949. | 1950. | 1951. | |
| | £ | £ | £ | £ | £ |
| Public Works— | | | | | |
| Railways*— | | | | | |
| As reduced | 479,275 | 1,344,265 | 2,655,235 | 7,044,316 | 63,025,093 |
| Transferred | | | | | 29,134,658 |
| Country Roads | 25,847 | 392,277 | 389,711 | 816,477 | 13,853,772 |
| Bridges | 792 | 49 | 29 | 2 | 476,797 |
| Harbors and Rivers | 87,890 | 172,068 | 101,026 | 60,304 | 1,868,223 |
| Water Supply— | | | | | |
| Country | 1,893,165 | 2,251,873 | 4,149,501 | 7,124,902 | 46,289,491 |
| Metropolitan | | | | | 3,142,577 |
| Sewerage | 2,095 | 13,936 | 10,378 | 28,651 | 275,513 |
| Electricity Supply | | | | 1,250,000 | 19,089,227 |
| Gas and Fuel Corporation | | | | 2,551,497 | 2,551,497 |
| Public Buildings— | | | | | |
| Schools | 609,867 | 1,023,202 | 2,160,412 | 2,686,124 | 13,462,543 |
| Hospitals | 213,343 | 357,497 | 1,470,402 | 2,592,533 | 6,324,408 |
| Other | 180,268 | 228,380 | 471,475 | 589,605 | 3,121,915 |
| Other Public Works | 131,339 | 133,597 | 188,601 | 309,265 | 1,534,181 |
| Decentralization Fund | | | 300,000 | 199,552 | 499,552 |
| Immigration | 10,038 | 16,343 | 75,315 | 28,034 | 149,730 |
| Municipal Endowment | | | | | 698,250 |

* Reduced under the authority of Act No. 4429 of 1936.

VICTORIA—EXPENDITURE FROM LOAN FUNDS AND ON ACCOUNT OF
LOANS—*continued.*

| Expenditure on— | During the Year Ended 30th June— | | | | Total to 30th June, 1951. |
|------------------------------------------------------|----------------------------------|------------|------------|------------|---------------------------------|
| | 1948. | 1949. | 1950. | 1951. | |
| | £ | £ | £ | £ | £ |
| Municipalities, Loans, Grants, &c. | 80,944 | 74,156 | 138,624 | 137,624 | 1,393,091 |
| Housing | 469,743 | 193,676 | 304,374 | 903,710 | 4,365,350 |
| Unemployment Relief | .. | .. | .. | .. | 13,147,158 |
| Primary Production— | | | | | |
| Land Settlement† | | | | | 41,570,934 |
| Soldier Settlement | 5,408,434 | 4,181,682 | 4,844,148 | 6,095,841 | 22,326,148 |
| Wire Netting Advances | 16,004 | 16,019 | 11,006 | 56,318 | 985,076 |
| Agriculture | .. | .. | 60,465 | .. | 211,147 |
| Settlers Advances— | | | | | |
| Cultivation | 28,258 | 500 | 95 | .. | 2,620,806 |
| Other | 6,870 | 9,644 | 5,041 | 1,250 | 118,960 |
| Bulk Handling of Wheat | .. | .. | 153,740 | .. | 1,153,740 |
| Forestry | 1,112,650 | 1,331,021 | 1,543,024 | 1,589,726 | 10,004,991 |
| Mining, N.B.L. | .. | 26,840 | .. | 137,631 | 435,493 |
| Mining—State Coal Mine | 223 | 13,718 | 12,924 | 2,652 | 350,581 |
| Primary Products—Advances to Companies | .. | .. | .. | .. | 331,101 |
| Cool Stores—Advances to Companies | 493 | 523 | 6,878 | 1,692 | 642,722 |
| Drought Relief | 182,001 | .. | .. | .. | 1,024,411 |
| Destruction of Vermin and Noxious Weeds | .. | .. | 29,185 | 157,711 | 186,896 |
| Other Primary Production.. | 15,000 | .. | .. | .. | 167,862 |
| Other Purposes | 58,112 | 945,883 | 1,243,600 | 943,443 | 3,641,988 |
| Total Works Expenditure | 11,012,651 | 12,727,149 | 20,325,189 | 35,308,860 | 310,675,882 |
| In Aid of Revenue | .. | 553,704 | 1,382,781 | .. | 11,055,167 |
| GRAND TOTAL | 11,012,651 | 13,280,853 | 21,707,970 | 35,308,860 | 321,731,049 |

† Land Settlement—Closer Settlement and Discharged Soldiers' Settlement Fund abolished during 1938-39 and Soldier Settlement re-established in 1945-46.

The figures in the foregoing table are "net" in as much as they exclude discounts and flotation expenses, particulars of which are as follow:—1947-48, £134,492; 1948-49, £940,330; 1949-50, £1,436,226; and 1950-51, £46,977. The aggregate to 30th June, 1951, was £9,771,840.

Of the proceeds of loans and temporary advances outstanding at 30th June, 1951, sums not yet expended amounted in the aggregate to £2,524,639, of which £17,800 was for Railways, £106,976 for Water Supply, £3,485 for Land Settlement, £30,000 for Rural Finance Corporation, £3,379 for Country Roads, £161,646 for Public Works, Buildings, &c., £85,031 for State Forests, £116,322 for Soldier Settlement, and £2,000,000 temporary advance from Commonwealth Government was unapportioned.

The amounts of interest and expenses paid on the Public Debt of Victoria during each of the financial years 1946-47 to 1950-51 are shown in the next table:—

VICTORIA—INTEREST AND EXPENSES OF PUBLIC DEBT, 1947 TO 1951.

| Year Ended 30th June. | Interest Paid on Loans in— | | Interest Paid on Temporary Loans. | Commission on Payment of Interest in London Expenses of Conversion Loans, &c. | Exchange on Payment of Interest in London.† | Total.‡ |
|-----------------------|----------------------------|------------|-----------------------------------|-------------------------------------------------------------------------------|---------------------------------------------|-----------|
| | London.* | Melbourne. | | | | |
| | £ | £ | £ | £ | £ | £ |
| 1947 .. | 2,095,151 | 3,959,381 | 74,407 | 27,246 | 585,301 | 6,741,486 |
| 1948 .. | 2,100,256 | 4,065,487 | 60,500 | 23,674 | 587,549 | 6,837,466 |
| 1949 .. | 1,962,942 | 4,361,932 | 48,899 | 65,021 | 541,766 | 6,980,560 |
| 1950 .. | 1,738,109 | 5,054,184 | 31,443 | 49,968 | 567,181 | 7,440,885 |
| 1951 .. | 1,627,867 | 5,558,378 | 13,349 | 68,493 | 577,794 | 7,845,881 |

* Including interest paid on loans raised in New York—£221,140 for 1946-47; £225,492 for 1947-48; £184,608 for 1948-49; £184,018 for 1949-50, and £182,943 for 1950-51.

† Includes Exchange paid in respect of Loans raised in New York:—£114,100 for 1946-47, £116,247 for 1947-48; £94,955 for 1948-49; £177,132 for 1949-50, and £215,496 for 1950-51.

‡ Includes £2,127,159 contributed each year by the Commonwealth in accordance with the provisions of the "Financial Agreement".

NATIONAL DEBT SINKING FUND.

The National Debt Sinking Fund was established under the provisions of the *Commonwealth and States Financial Agreement Act 1927* (No. 3554). Under the Federal Aid Roads Agreement, the Commonwealth Government agreed to pay Sinking Fund contributions on loan moneys provided by the States for certain roads. The agreement was terminated on 30th June, 1947, and from 1st December, 1947, these payments became a State liability. The following table gives particulars of the receipts and disbursements during 1950-51:—

| | | |
|----------------------------------------------------------------------------|-----------|------------|
| Balance at credit of Victoria at 30th June, 1950 .. | £ | 256,316 |
| Contributions during 1950-51— | £ | |
| By Commonwealth under Financial Agreement .. | 451,798 | |
| ,, State under Financial Agreement .. | 2,058,651 | |
| Interest received | | 7,466 |
| | | 2,774,231 |
| Cancellation of securities to the value of £2,615,102 at a cost of | | 2,701,486 |
| Balance at credit of the State at 30th June, 1951 .. | | 72,745 |
| Face value of securities cancelled to 30th June, 1951 .. | | 30,135,483 |
| Net credit to Victoria at 30th June, 1951 | | 30,208,228 |

TRUST FUNDS.

At 30th June, 1951, the liability of the Treasurer on account of moneys lodged for investment and for securities and other lodgments amounted to £20,339,216. Investments in Australian Consolidated Inscribed Stock and other securities amounted to £9,357,175, and cash advances totalled £4,750,700. The balance—£6,231,341—was at the credit of the Public Account.

PUBLIC DEBT OF AUSTRALIA.

The public debts of the six Australian States aggregated £1,208,338,319 at 30th June, 1951. Details of the indebtedness in respect of each State are shown in the following table. 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 AT 30TH JUNE, 1951.

| Heading. | Victoria. | New South Wales. | Queensland. | South Australia. | Western Australia. | Tasmania |
|------------------------------------------------|-------------|------------------|-------------|------------------|--------------------|------------|
| | £ | £ | £ | £ | £ | £ |
| Public Debt | 250,932,713 | 462,240,834 | 166,156,911 | 148,388,020 | 123,186,766 | 57,433,075 |
| Debt per head of population at 30th June, 1951 | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. | £ s. d. |
| | 110 11 7 | 139 6 11 | 137 3 7 | 206 1 8 | 211 17 0 | 197 9 6 |

The public debt of the Commonwealth exclusive of loans raised on behalf of the States but including debts on account of the Port Augusta-Oodnadatta Railway and the Northern Territory amounted to £1,852,148,442 at 30th June, 1951. This total does not include War (1914-18) Debt £79,724,220 due to the United Kingdom Government. Repayment of this Debt and payment of interest thereon was suspended in 1931. In previous issues of the *Year-Book* this amount was included in the total Commonwealth Public Debt.

The total public debt of Australia—Commonwealth and States—at the above date was £3,060,486,761, of which £2,664,299,630 was payable in Australia, £354,593,093 in London, and £41,594,038 in New York. The loan liability of the Australian public at 30th June, 1951, averaged £362 19s. 9d. per head of population.