

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 1921-22 in the Consolidated Revenue Fund and in the special funds referred to above gives the following result:—

REVENUE AND EXPENDITURE ACCOUNT OF VICTORIA,
1921-22.

						£
Revenue	..	..	..	..	..	20,357,733
Expenditure	..	..	..	..	..	20,297,279
						—
Surplus for the year	..	..	..	..	..	60,454
Reduction of deficit by Surplus Revenue Act, No. 3146						25,000
Revenue deficit at 30th June, 1921				..	..	1,290,706
						—
Revenue deficit at 30th June, 1922				..	..	1,205,252

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 six years the deficit has been reduced, and, on 30th June, 1922, it was £1,205,252, there having been a decrease as compared with the previous year of £85,454.

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 1921-22 are as follows:—

—	Public Revenue.	Public Expenditure.
	£	£
Total according to Treasurer's Finance Statement ..	19,871,466	19,836,528
<i>Add—</i>		
Mallee Land Account—appropriated to Loan		
Redemption purposes	121,713	121,713
Country Roads Board Fund	141,424	141,424
Licensing Fund	306,258	306,258
Police Superannuation Fund	8,651	8,651
Assurance Fund	2,640	2,640
<i>Deduct—</i>		
Appropriation to reduction of deficit .. .. .	..	25,516
Loss on non-paying railways	94,419	94,419
Total	20,357,733	20,297,279

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: 1912-13 TO 1921-22.

Year ended 30th June—		Revenue.	Expenditure.	Year ended 30th June—		Revenue.	Expenditure.
		£	£			£	£
1913	..	10,508,945	10,479,741	1918	..	12,672,787	12,631,169
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

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., 1912-13 TO 1921-22.

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.*		
	£	£	£	£	
1913	..	29,204	25,000	212,269	266,473
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
Totals (10 years)		217,208	325,000	3,062,287	3,604,495

* Full particulars of the Redemption Funds will be found further on in this "part."

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, 1917-18 TO 1921-22.

Heads of Revenue.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
Federal Government	1,739,481	1,764,239	1,847,085	1,878,449	1,918,967
State Taxation—					
Probate and Succession Duties ..	506,662	718,194	881,423	702,468	706,181
Income Tax ..	773,468	928,210	915,551	1,591,198	1,443,209
Land Tax ..	353,156	324,232	314,217	331,756	372,060
Stamp Duties ..	505,637	581,917	820,618	928,367	930,859
Licences ..	158,842	179,338	213,204	274,020	320,127
Other ..	12,958	13,055	14,754	19,024	18,738
Public Works and Services—					
Railways ..	6,615,914	6,422,133	8,081,947	9,848,061	10,751,173
Water Supply ..	342,600	355,854	384,280	406,666	415,540
Harbor Trusts, Wharfrage, &c. ..	92,237	101,210	113,049	145,938	156,747
State Coal Mine ..	302,276	292,604	433,977	416,892	591,380
Interest on properties transferred to Commonwealth	83,333	82,664	82,664	103,789	86,013
Other ..	89,223	116,050	197,637	220,176	190,286
Land—					
Sales ..	157,297	141,693	202,517	333,083	200,346
Rents ..	135,176	143,943	175,116	205,648	232,876
Interest, &c. ..	184,239	186,118	187,731	194,922	173,218
Other Sources—					
Interest—Discharged Soldiers Settlement Acts ..	767	20,811	102,785	463,878	827,330
Fees, Fines, &c. ..	216,235	236,429	293,281	317,968	332,497
Tramways Act 2995 (Sec. 88) ..	..	..	56,783	84,355	98,107
Sale of Books and Documents (Govt. Printer) ..	59,127	63,215	72,380	82,697	90,084
From Exporters for Packing Produce for Export ..	61,063	91,430	181,753	100,715	72,505
State Electricity Commissioners ..	..	..	..	..	58,111
Miscellaneous ..	283,096	280,749	293,432	404,405	371,379
Total ..	12,672,787	13,044,088	15,866,184	19,054,475	20,357,733
Per Head of Population ..	£ s. d. 8 18 10	£ s. d. 9 1 6	£ s. d. 10 11 1	£ s. d. 12 9 5	£ s. d. 13 2 6

The revenue for 1921-22 represents an increase of £1,303,258 on that for the previous year. There were increases under the following

headings:—Railways, £903,112; Interest—Discharged Soldiers Settlement Acts, £363,452; and State Coal Mine, £174,488. There was a falling off in revenue from Land of £127,213, and State Taxation decreased by £55,659. The payments to the State by the Federal Government during the last twelve 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.

Heads of State expenditure.

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

SUMMARY OF STATE EXPENDITURE FROM CONSOLIDATED REVENUE: 1917-18 TO 1921-22.

Heads of Expenditure.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
<i>General Government.</i>					
Governor	7,486	7,448	6,915	8,777	10,064
Parliament and Ministry	82,591	74,059	74,402	103,494	106,147
Civil Establishment	293,836	309,583	349,029	372,560	393,683
Pensions and Gratuities	391,521	415,295	420,726	466,636	480,065
<i>Law, Order, and Protection.</i>					
Judicial and Legal ..	165,613	166,675	194,149	226,608	227,303
Police	341,364	366,079	462,303	533,920	533,986
Penal Establishments and Gaols	55,027	54,268	61,947	75,981	74,161
<i>Education, &c.</i>					
State Schools, &c. ..	1,084,050	1,111,276	1,324,595	1,659,663	1,755,834
Technical Schools ..	70,247	65,455	69,661	92,001	100,693
University	26,500	27,000	31,500	37,975	40,175
Libraries, &c.	26,253	26,006	27,672	33,500	34,108
Art and Science	8,830	9,136	8,976	9,305	9,630
<i>Recreation and Health.</i>					
Parks, Gardens, and Public Resorts	21,547	22,563	31,565	36,939	29,341
Public Health	50,439	180,684	190,844	80,848	97,599
Charitable Institutions, &c.	564,535	583,008	666,697	818,539	829,514

* This is subject to a slight reduction on account of a special payment to Western Australia. The reduction in 1921-22 was slightly more than 3d. per head of population. See *Year-Book* 1915-16, page 142.

SUMMARY OF STATE EXPENDITURE FROM CONSOLIDATED REVENUE :
1917-18 TO 1921-22—continued.

Heads of Expenditure.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
<i>Crown Lands, &c.</i>	£	£	£	£	£
Crown Lands ..	142,540	157,557	167,818	207,760	221,565
Agriculture and Stock ..	198,193	214,001	266,314	244,968	275,107
Mining ..	409,502	379,556	587,031	538,855	678,785
<i>Public Works.</i>					
Railways ..	4,475,717	4,261,082	6,042,136	7,857,380	8,117,070
Water Supply ..	120,789	116,153	154,534	165,145	185,656
Harbors, Rivers, and Lights ..	75,928	92,825	81,436	93,929	98,984
Roads and Bridges ..	6,546	6,001	3,930	6,068	16,948
Country Roads Board Fund ..	83,268	140,873	158,288	170,638	191,424
Electricity Commissioners ..	..	..	..	32,015	112,608
Municipal Endowment, &c. ..	60,753	60,138	67,396	52,212	53,769
Works and Buildings, n.e.i. ..	67,460	50,666	61,610	56,675	65,476
Interest and Expenses of Public Debt ..	3,010,358	3,087,059	3,249,393	3,882,095	4,579,665
Interest on Advances from Savings Banks ..	8,453	8,638	8,212	7,975	6,737
Redemption Funds, &c. ..	299,578	301,466	359,100	508,344	402,724
Settlement of Discharged Soldiers ..	..	58,011	75,000	75,000	75,000
<i>Other Expenditure.</i>					
Mint Subsidy ..	25,000	25,000	29,778	40,000	33,500
Fire Brigades ..	32,882	33,309	37,164	45,615	48,909
Immigration ..	9,895	7,275	6,870	11,885	18,135
Licensing Fund ..	143,501	164,128	197,630	257,288	306,258
Expeditionary Forces — Allowance to Railway Department for carriage ..	6,610	74,673	117,345	10,428	5,325
Surplus Revenue appropriated to "Revenue Services" ..	220,156	274,521	103,716	56,936	..
Miscellaneous ..	44,201	47,940	56,777	63,741	81,331
Total ..	12,631,169	12,979,407	15,752,459	18,941,698	20,297,279
Per Head of Population	£ s. d. 8 18 3	£ s. d. 9 0 7	£ s. d. 10 9 7	£ s. d. 12 7 11	£ s. d. 13 1 9

Compared with the previous year the ordinary expenditure of the State for 1921-22 showed an increase of £1,355,581. The heads of expenditure showing the largest increases were—Interest and Expenses of Public Debt, £697,570; Railways, £259,690; Mining, £139,930;

State Schools, £96,171; and Electricity Commissioners, £80,593. The chief decreases were—Redemption Funds, etc., £105,620; and Surplus Revenue appropriated to "Revenue Services," £56,936.

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 gross 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:—(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 1921-22 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 from personal exertion on the amount of taxable income 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.

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, 1921-22—BASED ON INCOMES OF 1920-21.

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.
	<i>d.</i>	<i>d.</i>	<i>d.</i>				
Up to £500 ..	3	6	} 12 }	64,794	4,396	1,071	345
£501 to £1,000	4	8		5,139	1,186	4,991	184
£1,001 to £1,500	5	10		1,072	303	1,493	124
£1,501 to £2,000	6	12		360	159	701	95
£2,001 and upwards	7	14		466	198	1,157	727
Total ..	..	..	.. ..	71,831	6,242	9,413	1,475

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 ..	9,641,160	696,408	227,260	58,722	120,511	17,434	3,944	2,924
£501 to £1,000	3,430,870	802,413	3,412,836	134,433	60,600	23,489	68,406	6,673
£1,001 to £1,500	1,210,040	366,908	1,803,778	155,761	25,331	14,571	38,886	7,753
£1,501 to £2,000	619,577	271,095	1,205,424	165,929	13,403	11,778	27,930	8,246
£2,001 and upwards	1,770,841	831,370	4,617,296	10,517,783	45,612	43,547	131,303	525,669
Total ..	16,752,488	2,968,194	11,266,594	11,032,628	265,457	115,819	270,469	551,265

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 1921-22 amounted to £52,555,304, but, as 70,236 taxpayers were allowed the £150 exemption, the amount available for taxation was £42,019,904.

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

INCOME TAX : 1917-18 TO 1921-22.

—	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
Number of Assessments :					
Individuals ..	43,424	49,889	50,626	73,548	87,486
Companies ..	1,634	1,644	1,448	1,843	1,475
Total, Distinct Taxpayers ..	45,058	51,533	52,074	75,391	88,961
Taxable Incomes of previous year :					
Individuals ..	£ 14,479,213	£ 16,572,006	£ 17,128,672	£ 28,999,298	£ 30,987,276
Companies ..	7,292,279	8,423,513	8,607,366	14,164,719	11,032,628
Total ..	21,771,492	24,995,519	25,736,038	43,164,017	42,019,904
Tax payable :					
Individuals ..	332,924	399,944	383,602	651,126	651,745
Companies ..	364,564	420,995	430,028	707,770	551,265
Total* ..	697,488	820,939	813,630	1,358,896	1,203,010
Per taxpayer :					
Individuals ..	£ s. d. 7 13 4	£ s. d. 8 0 4	£ s. d. 7 11 7	£ s. d. 8 17 1	£ s. d. 7 8 9
Companies ..	223 2 3	256 1 7	296 19 7	384 0 8	373 14 9
Average tax payable in the £ on taxable incomes by—					
Individuals ..	d. 5·52	d. 5·79	d. 5·37	d. 5·39	d. 5·05
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,
1921-22.

Occupations.	Number of Taxpayers.				Amount of Tax.*			
	Personal Exertion.	Property.	Personal Exertion and Property combined.	Total.	Personal Exertion.	Property.	Total.	Average to each Taxpayer.
<i>1. Professional.</i>					£	£	£	£ s. d.
Civil Servants	2,057	4	164	2,225	8,575	504	9,079	4 1 7
Clergymen ..	821	1	35	857	2,217	100	2,317	2 14 1
Legal Practitioners ..	507	7	245	759	12,392	3,268	15,660	20 12 8
Medical Practitioners ..	457	7	313	777	14,786	3,470	18,256	23 9 11
Police ..	1,277	..	35	1,312	2,642	122	2,764	2 2 2
Teachers ..	2,180	3	142	2,325	7,616	430	8,046	3 9 3
Various ..	3,807	36	625	4,468	27,507	5,519	33,026	7 7 10
	11,106	58	1,559	12,723	75,735	13,413	89,148	7 0 2
<i>2. Domestic.</i>								
Hotelkeepers	811	11	349	1,171	16,508	2,877	19,385	16 11 1
Various ..	955	8	132	1,095	4,915	790	5,705	5 4 2
	1,766	19	481	2,266	21,423	3,667	25,090	11 1 5
<i>3. Commercial.</i>								
Agents ..	1,209	10	351	1,570	12,835	2,698	15,533	9 17 11
Brokers ..	134	1	46	181	4,262	788	5,050	27 18 1
Butchers ..	738	7	159	904	4,534	1,595	6,129	6 15 7
Clerks ..	9,852	18	858	10,728	54,281	5,720	60,001	5 11 10
Drapers ..	576	3	160	739	8,300	1,172	9,472	12 16 4
Grocers ..	802	..	161	963	5,181	714	5,895	6 2 5
Merchants ..	693	6	507	1,206	31,001	6,544	37,545	31 2 8
Salesmen ..	4,868	4	500	5,372	26,540	2,312	28,852	5 7 5
Storekeepers	476	2	143	621	5,420	738	6,158	9 18 4
Various ..	3,377	82	624	4,083	24,931	6,708	31,639	7 15 0
	22,725	133	3,509	26,367	177,285	28,989	206,274	7 16 6

* 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, 1921-22—
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 ..	2,664	2	91	2,757	5,778	285	6,063	2 4 0
Engaged in Postal Service ..	1,140	..	13	1,153	2,252	48	2,300	1 19 11
Engaged in Railways ..	5,606	..	78	5,684	10,689	230	10,919	1 18 5
Engaged in Shipping ..	369	1	45	415	2,632	175	2,807	6 15 4
	9,779	3	227	10,009	21,351	738	22,089	2 4 2
5. Industrial.								
Carpenters ..	1,962	13	276	2,251	10,193	1,698	11,891	5 5 8
Engine-drivers	805	..	3	808	1,493	7	1,500	1 17 1
Engineers ..	1,970	6	129	2,105	9,086	688	9,774	4 12 10
Managers ..	903	1	195	1,099	10,317	1,749	12,066	10 19 7
Manufacturers	815	10	444	1,269	32,398	3,282	35,680	28 2 4
Printers ..	1,238	3	84	1,325	5,604	532	6,136	4 12 7
Various ..	14,737	18	678	15,433	41,467	2,927	44,394	2 17 6
	22,430	51	1,809	24,290	110,558	10,883	121,441	5 0 0
6. Primary Producers.								
Engaged in Agriculture, &c.—								
Dairy								
Farmers	297	9	88	394	2,986	286	3,272	8 6 1
Farmers ..	1,110	132	511	1,753	14,872	3,717	18,589	10 12 1
Graziers ..	218	102	364	684	20,670	10,130	30,800	45 0 7
Various ..	711	26	98	835	3,679	833	4,512	5 8 1
	2,336	269	1,061	3,666	42,207	14,966	57,173	15 11 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, 1921-22—
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.					£	£	£	£ s. d.
Engaged in Mining—								
Legal Managers ..	14	2	6	22	202	53	255	11 12 1
Miners ..	312	..	3	315	476	7	483	1 10 7
Mining Managers ..	73	..	7	80	408	35	443	5 10 10
Various ..	86	1	7	94	422	28	450	4 15 8
	485	3	23	511	1,508	123	1,631	3 3 9
	2,821	272	1,084	4,177	43,715	15,089	58,804	14 3 6
7. Indefinite..	1,204	5,706	744	7,654	12,212	116,687	128,899	16 16 10
8. Companies.								
Life Assurance	21	..	..	21	32,965	..	32,965	1,569 15 1
Mining ..	3	..	..	3	940	..	940	313 5 4
Other ..	1,451	..	..	1,451	517,360	..	517,360	356 11 1
	1,475	..	..	1,475	551,265	..	551,265	373 14 9
Total ..	73,306	6,242	9,413	88,961	1,013,544	189,466	1,203,010	13 10 5

* 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), 82 per cent. gained their incomes from personal exertion, 7 per cent. from property, and 11 per cent. from personal exertion combined with property. Occupations showing the highest average tax were—Graziers, £45 0s. 7d.; merchants, £31 2s. 8d.; manufacturers, £28 2s. 4d.; and brokers, £27 18s. 1d.; while those showing the lowest were—Postal employees, £1 19s. 11d.; railway employees, £1 18s. 5d.; engine-drivers, £1 17s. 1d.; and miners, £1 10s. 7d. The total tax levied on individuals was £462,279 on income derived from personal exertion, and £189,466 on income from property, while companies, whose incomes are classified under personal exertion, were taxed to the extent of £551,265.

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

**TAXABLE INCOMES AND OCCUPATIONS OF TAXPAYERS,
1921-22.**

Occupations.	Number of Taxpayers.				Amount of Tax.			Total.
	With taxable incomes from—			Total.	On taxable incomes from—			
	£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 ..	1,869	313	43	2,225	£ 4,071	£ 3,674	£ 1,334	£ 9,079
Clergymen ..	792	60	5	857	1,522	674	121	2,317
Legal Practitioners	334	188	237	759	709	2,551	12,400	15,660
Medical Practitioners	165	312	300	777	461	4,383	13,412	18,256
Police ..	1,276	32	4	1,312	2,201	402	161	2,764
Teachers ..	2,063	233	29	2,325	4,574	2,615	857	8,046
Various ..	3,252	891	325	4,468	7,080	11,479	14,467	33,026
	9,751	2,029	943	12,723	20,618	25,778	42,752	89,148
2. Domestic.								
Hotelkeepers ..	443	429	299	1,171	1,140	5,762	12,483	19,385
Various ..	891	155	49	1,095	1,650	1,965	2,090	5,705
	1,334	584	348	2,266	2,790	7,727	14,573	25,090
3. Commercial.								
Agents ..	1,045	336	189	1,570	2,297	4,635	8,601	15,533
Brokers ..	79	50	52	181	183	703	4,164	5,050
Butchers ..	665	188	51	904	1,180	2,469	2,480	6,129
Clerks ..	8,803	1,409	516	10,728	18,288	16,965	24,748	60,001
Drapers ..	465	170	104	739	949	2,191	6,332	9,472
Grocers ..	724	186	53	963	1,426	2,381	2,088	5,895
Merchants ..	405	335	466	1,206	964	4,614	31,967	37,545
Salesmen ..	4,410	730	232	5,372	8,997	8,919	10,936	28,852
Storekeepers ..	374	155	92	621	865	1,996	3,297	6,158
Various ..	3,129	617	337	4,083	6,057	8,160	17,422	31,639
	20,099	4,176	2,092	26,367	41,206	53,033	112,035	206,274
4. Transport.								
Carriers ..	2,639	80	38	2,757	3,668	931	1,464	6,063
Engaged in Postal Service ..	1,125	27	1	1,153	1,961	317	22	2,300
Engaged in Railways	5,568	105	11	5,684	9,335	1,146	438	10,919
Engaged in Shipping	332	41	42	415	656	555	1,596	2,807
	9,664	253	92	10,009	15,620	2,949	3,520	22,089

TAXABLE INCOMES AND OCCUPATIONS, OF TAXPAYERS, 1921-22—
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.	
5. Industrial.					£	£	£	£
Carpenters ..	1,922	227	102	2,251	3,462	2,892	5,537	11,891
Engine-drivers ..	802	5	1	808	1,426	52	22	1,500
Engineers ..	1,828	198	79	2,105	3,642	2,455	3,677	9,774
Managers ..	670	295	134	1,099	1,574	3,663	6,829	12,066
Manufacturers ..	510	399	360	1,269	1,186	5,257	29,237	35,680
Printers ..	1,185	89	51	1,325	2,266	1,091	2,779	6,136
Various ..	14,452	747	234	15,433	23,385	9,346	11,663	44,394
	21,369	1,960	961	24,290	36,941	24,756	59,744	121,441
6. Primary Producers.								
Engaged in Agriculture, &c.—								
Dairy Farmers ..	248	103	43	394	594	1,205	1,473	3,272
Farmers ..	960	513	280	1,753	2,312	6,477	9,800	18,589
Graziers ..	239	157	288	684	723	2,542	27,535	30,800
Various ..	703	91	41	835	1,334	1,253	1,925	4,512
	2,150	864	652	3,666	4,963	11,477	40,733	57,173
Engaged in Mining—								
Legal Managers ..	11	5	6	22	30	62	163	255
Miners ..	312	3	..	315	432	51	..	483
Mining Managers ..	60	19	1	80	141	250	52	443
Various ..	84	7	3	94	164	77	209	450
	467	34	10	511	767	440	424	1,631
	2,617	898	662	4,177	5,730	11,917	41,157	58,804
7. Indefinite	5,427	1,416	811	7,654	18,984	31,335	78,580	128,899
8. Companies.								
Life Assurance ..	2	1	18	21	14	35	32,916	32,965
Mining ..	..	..	3	3	..	..	940	940
Other ..	343	183	925	1,451	2,910	6,638	507,812	517,360
	345	184	946	1,475	2,924	6,673	541,663	551,265
Total ..	70,606	11,500	6,855	88,961	144,813	164,168	894,029	1,203,010

Of the number of taxable incomes assessed, about 79 per cent. did not exceed £500, 13 per cent. were from £501 to £1,000, and

8 per cent. were over £1,000; but the tax levied on these incomes formed 12, 14, and 74 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, 10,728 of whom were taxed £60,001, and that of these 516 had taxable incomes of over £1,000, and were called upon to pay £24,748. The group paying the next largest amount of tax is that of merchants, 1,206 of whom were taxed £37,545. Of these, 466 had taxable incomes of over £1,000, and were called upon to pay £31,967.

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 1921-22, amounted to £16,790,682, and it is estimated that the payments made on Victorian income would be £4,533,000.

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.
1918	88,926	..	..	..	£310,142
1919	89,363	..	..	..	£310,059
1920	94,463	..	..	..	£317,174
1921	103,237	..	..	..	£335,566
1922	108,269	..	..	..	£353,970

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 1919-20 were furnished by the Federal Commissioner of Land Tax. The estates assessed numbered 4,632, of which 4,053

Commonwealth Land Tax Act.

belonged to resident and 579 to absentee taxpayers. The unimproved value of these estates, as ascertained by the Department, was £51,852,353. The taxable value, after allowing for all statutory deductions from the unimproved value, was £30,712,083, on which the tax payable was £339,388. In addition, there were 850 central office taxpayers who held an unimproved value of £7,668,887 representing their Victorian primary interests, on which the tax payable was £128,440.

RAILWAY REVENUE AND EXPENDITURE.

**Victorian
Railways,
financial
results.**

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 Railways.

RAILWAY BALANCES : 1917-18 TO 1921-22.

	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
Gross Revenue ..	6,593,873	6,476,076	8,287,063	9,851,909	10,857,853
Working Expenses ..	4,474,745	4,323,183	6,112,822	7,911,834	8,092,565
Pensions, Gratuities, &c. ..	129,160	151,588	152,932	182,036	194,581
Net Receipts ..	1,989,968	2,001,305	2,021,309	1,758,039	2,570,707
Interest on Cost of Construction ..	2,126,906	2,164,902	2,234,202	2,409,674	2,589,816
Deficit ..	136,938	163,597	212,893	651,635	19,109

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, 1922, the receipts of the fund amounted to £80,726, whilst the payments made therefrom were £4,461 for compensation, damages, costs, &c., to persons other than employees injured; £13,387 as compensation on account of injuries to or deaths of employees; and £24,994 as compensation for goods or parcels lost, and for damages caused by fire, &c.

PENSIONS AND GRATUITIES.

Pensions and gratuities to Government servants.

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 1921-22, 3,338 pensions, amounting to £409,551, were paid to ex-public servants not including police, viz., 3,193 under special appropriations, amounting to £401,748; and 145 from annual votes, amounting to £7,803. Thirty-eight compensations and gratuities were also paid, the amount being £18,063. These pensions, compensations, and gratuities were paid entirely out of Consolidated Revenue, no contributions having been received from the persons entitled thereto, or from any other source. The following statement shows the numbers and amounts of payments made in the last financial year:—

PENSIONS, SUPERANNUATION ALLOWANCES, AND GRATUITIES, ETC., PAID: 1921-22.

Division of Service.	Special Appropriations.		Annual Votes.		Total.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.
		£		£		£
Education Department	1,028	117,884	9	359	1,037	118,243
Railways	1,494	173,665	117	6,519	1,611	180,184
Defence	4	368	..	..	4	368
Lunacy	29	3,008	..	..	29	3,008
Under Constitution Act	1	1,875	..	..	1	1,875
Officers of Parliament	1	509	..	..	1	509
County Court Judges..	1	750	..	..	1	750
Under Civil Service Act 160	190	43,557	..	..	190	43,557
Under Public Service Act 773	140	31,583	..	..	140	31,583
Commonwealth Service—Officers of transferred Departments	305	28,549	..	..	305	28,549
Various allowances ..	..	..	19	925	19	925
Total Pensions and Superannuation Allowances ..	3,193	401,748	145	7,803	3,338	409,551
Compensations and Gratuities	7	1,173	31	16,890	38	18,063
Subsidy to Police Superannuation Fund ..	..	2,000	..	41,800	..	43,800
Total	3,200	404,921	176	66,493	3,376	471,414

In 1921-22 the payments out of the Police Superannuation Fund were as follows:—423 pensions, amounting to £71,570, and 17

gratuities, amounting to £9,015. 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.

Pensions are payable only to those members of the police force who joined prior to the 25th November, 1902.

In the year 1921-22, 23 pensions amounting to £2,608 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.

**South Africa
Contingent
pensions.**

Pensions to members and relatives of members of the South African war contingents amounted to £666 in 1921-22.

EXPENDITURE ON EDUCATION.

During the year 1921-22 the State expended on education generally the sum of £2,439,659. This 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: 1917-18 TO 1921-22.

Expenditure on—	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
Education—					
Primary	814,087	834,461	995,171	1,232,440	1,283,499
Intermediate	6,146	6,901	11,286	20,175	27,610
Secondary (including Scholarships)	71,057	73,998	88,967	107,498	110,397
Special Subjects	29,074	30,540	37,231	49,214	56,930
Training of Teachers	17,836	18,049	21,873	26,353	26,768
Administration	47,745	50,308	55,436	63,252	66,549
Buildings (State Schools) ..	62,532	87,273	131,265	176,099	322,471
Technical Schools (including Building Grants)	132,943	123,466	127,544	192,215	229,261
University (including Build- ing Grants)	32,407	32,874	38,584	67,498	113,111
Interest payable on Loan Money expended on Build- ings	57,981	57,853	55,071	64,404	82,369
Miscellaneous (including Pensions and Gratuities)	113,267	114,854	116,336	118,003	120,694
Total	1,385,075	1,430,577	1,678,764	2,117,151	2,439,659*

* In addition, £25,749, paid by students in fees during the calendar year 1921, 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 amount expended on scholarships, in each of the last five years :—

**EXPENDITURE IN CONNEXION WITH STATE SCHOOLS :
1917-18 TO 1921-22.**

Items.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
Education:					
Primary—					
Day Schools	808,506	829,127	989,654	1,226,049	1,276,840
Night Schools	64	64	64	44	38
Schools for Deaf Mutes and Blind and Feeble-minded Children	3,501	3,231	3,405	4,391	4,612
Grant to Collingwood Play- ground	100	100	100	100	100
Subsidies to Schools in sparsely populated districts	616	639	648	556	609
Free Kindergarten Union	1,000	1,000	1,000	1,000	1,000
State Schools Horticultural Society	300	300	300	300	300
	814,087	834,461	995,171	1,232,440	1,283,499
Intermediate—					
Higher Elementary Schools	5,685	6,548	10,926	19,791	27,134
Evening Continuation Classes	461	353	360	385	476
Secondary—					
High Schools	62,814	65,650	79,352	97,785	101,535
	68,960	72,551	90,638	117,961	129,145
Special Subjects—					
Cookery	14,052	15,623	18,464	24,789	28,025
Manual Training	12,245	12,163	15,361	19,460	21,784
Physical Training	843	729	714	1,125	1,302
Medical Inspection	1,462	1,522	2,147	2,893	4,690
Dressmaking and Needlework	247	253	232	379	404
School Gardening	225	250	290	568	725
	29,074	30,540	37,231	49,214	56,930
Training of Teachers—					
Training College	9,867	10,352	12,753	16,023	16,155
University Practising School	2,580	2,767	3,198	4,187	4,612
Miscellaneous	5,389	4,930	5,922	6,143	6,001
	17,836	18,049	21,873	26,353	26,768
Administration	47,745	50,308	55,436	63,252	66,549
Buildings—					
Primary Schools	46,383	66,140	98,163	126,112	275,205
(expended by School Committees)	5,767	6,263	9,770	11,112	11,201
Rent	4,500	5,300	6,492	6,999	8,234
Higher Elementary Schools	278	3,812	3,278	18,656	12,950
High Schools	5,604	5,758	13,562	13,220	14,881
	62,532	87,273	131,265	176,099	322,471
Interest payable on Loan Money expended on Buildings	57,897	57,769	54,987	62,597	75,292
Pensions and Gratuities	113,215	114,799	116,284	117,950	120,644
Total	1,211,346	1,265,750	1,502,885	1,845,866	2,081,298

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

**COST OF INSTRUCTION IN VICTORIAN STATE SCHOOLS :
1912-13 TO 1921-22.**

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.
1912-13 ..	1,201,649	28,646	1,173,003	156,965	7 9 6
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

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

STATE UNDERTAKINGS.

The net result of the undermentioned State undertakings during the financial year 1921-22, as disclosed in the Auditor-General's report, was a profit of £5,344. Details are as follows :—

Undertaking.	Loss.	Profit.
	£	£
State Coal Mine, Wonthaggi .. .. .	..	18,387
Brown Coal Mine, Morwell .. .. .	..	7,223
Victoria Dock Cool Store	29,263	..
Maffra Sugar Factory .. .. .	..	9,920
State Accident Insurance Office .. .. .	..	7,545
Newport Timber Seasoning Works .. .. .	..	205
State Saw Mill, Nayook .. .. .	..	2,213
Lighterage, &c., Explosives .. .. .	..	1,602
Wire Netting Factory, Pentridge .. .. .	..	24
Yallourn General Store (Electricity Commission) .. .. .	..	1,195
Experimental Farms (net)	10,318	..
High School Farms (net)	3,389	..
	42,970	48,314
Net Profit 1921-22	5,344	..
	48,314	48,314

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) : 1917-18 TO 1921-22.

Heads of Revenue and Expenditure.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
REVENUE.	£	£	£	£	£
Customs Duties ..	2,970,677	4,010,055	4,371,405	7,345,609	5,835,394
Excise Duties ..	1,003,085	1,631,074	1,963,915	2,525,847	2,644,585
Income Tax* ..	1,856,000	2,527,000	3,601,000	4,203,000	4,533,000
Post, Telegraph, &c.	1,520,518	1,621,218	1,803,551	2,272,719	2,555,883
War-time Profits Tax*	208,500	327,000	474,000	495,000	280,000
Land Tax ..	486,250	534,000	486,000	492,436	525,000
Succession Duties ..	357,995	370,000	619,000	435,873	367,000
War Postage ..	..	132,000	215,000	56,000	..
Entertainments Tax	72,209	110,815	176,411	203,769	222,210
Miscellaneous ..	1,772,766	1,594,838	1,108,718	1,238,747	1,578,928
Total ..	10,248,000	12,858,000	14,819,000	19,269,000	18,542,000
EXPENDITURE.					
Trade and Customs..	204,500	232,400	282,860	272,500	216,000
Post, Telegraph, &c.	1,434,928	1,337,453	1,538,872	1,901,864	2,427,143
Payment to the State Government ..	1,739,481	1,764,239	1,847,085	1,878,449	1,918,967
Other Expenditure ..	6,865,091	8,976,908	10,981,183	14,109,187	13,663,890
Total ..	10,244,000	12,311,000	14,650,000	18,162,000	18,226,000

* Estimated.

COMMONWEALTH AND STATE REVENUE AND EXPENDITURE.

Commonwealth
and State
Finance.

The total Government revenue and expenditure within the State of Victoria is shown by combining State and Commonwealth receipts and expenditure. The figures relating to the principal items are given in the following table:—

REVENUE AND EXPENDITURE OF COMMONWEALTH AND STATE COMBINED: 1917-18 TO 1921-22.

Heads of Revenue and Expenditure.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
REVENUE.					
	£	£	£	£	£
Customs and Excise	3,973,762	5,641,129	6,335,320	9,871,456	8,479,979
Post, Telegraph, &c.	1,520,518	1,621,218	1,803,551	2,272,719	2,555,883
State Railways ..	6,615,914	6,422,133	8,081,947	9,848,061	10,751,173
State Taxation ..	2,310,723	2,744,946	3,159,767	3,846,833	3,791,174
Other sources ..	6,760,389	7,708,423	9,457,514	10,605,957	11,402,557
Total Revenue..	21,181,306	24,137,849	28,838,099	36,445,026	36,980,766
EXPENDITURE.					
Trade and Customs	204,500	232,400	282,860	272,500	216,000
Post, Telegraph, &c.	1,434,928	1,337,453	1,538,872	1,901,864	2,427,143
State Railways ..	4,475,717	4,261,082	6,042,136	7,857,380	8,117,070
Public Instruction*..	1,180,797	1,203,731	1,425,756	1,789,639	1,896,702
Public Debt (Victoria)—					
Interest and Expenses ..	3,010,358	3,087,059	3,249,393	3,882,095	4,579,665
Redemption ..	299,578	301,466	359,100	508,344	402,724
Other Expenditure..	10,529,810	13,102,977	15,657,257	19,013,427	18,965,008
Total Expenditure	21,135,688	23,526,168	28,555,374	35,225,249	36,604,312

* Primary and Technical Schools, and University.

COMMONWEALTH, STATE, AND LOCAL REVENUE AND EXPENDITURE.

Commonwealth,
State, and
Local
Finance.

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 the municipal and local bodies, during the last five years, will be found in the next table. From the totals of revenue and

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

COMMONWEALTH, STATE, AND LOCAL REVENUE AND
EXPENDITURE : 1918 TO 1922.

	Financial Year ended in—				
	1918.	1919.	1920.	1921.	1922.
<i>Revenue.</i>	£	£	£	£	£
Government—					
Federal ..	10,248,000	12,858,000	14,819,000	19,269,000	18,542,000
State ..	10,873,610	11,220,153	13,964,354	17,129,995	18,404,028
Municipal ..	2,392,851	2,713,540	3,081,726	3,460,727	3,890,390
Harbor Trusts ..	303,521	318,373	362,439	451,784	537,853
Melbourne and Metro- politan Board of Works ..	742,564	783,043	854,992	877,441	931,784
Fire Brigades Boards	41,248	43,838	51,906	68,865	75,262
Total ..	24,601,794	27,936,947	33,134,417	41,257,812	42,381,317
 <i>Ordinary Expenditure.</i>					
Government—					
Federal ..	10,244,000	12,311,000	14,650,000	18,162,000	18,226,000
State ..	10,831,992	11,155,472	13,850,629	17,017,218	18,343,574
Municipal ..	2,412,562	2,751,303	2,960,882	3,466,396	3,804,947
Harbor Trusts ..	259,646	325,247	347,335	410,350	450,171
Melbourne and Metro- politan Board of Works ..	737,241	750,700	751,588	804,096	908,934
Fire Brigades Boards	43,890	45,278	50,171	70,318	77,456
Total ..	24,529,331	27,339,000	32,610,605	39,930,378	41,811,082

COMMONWEALTH, STATE, AND LOCAL REVENUE AND EXPENDITURE :
1918 TO 1922—*continued.*

	Financial Year ended in—				
	1918.	1919.	1920	1921.	1922.
<i>Loan Expenditure.</i>	£	£	£	£	£
Government—					
Federal	16,267,280	18,095,454	13,502,000	10,245,000	3,613,000
State	1,931,679	2,932,521	7,601,266	11,095,158	11,804,990
Municipal	190,184	194,627	259,498	480,166	702,310
Harbor Trusts ..	188,571	179,030	158,311	188,779	201,534
Melbourne and Metro- politan Board of Works	207,602	236,263	289,930	423,692	665,578
Fire Brigades Boards	14,721	8,344	7,046	23,782	25,205
Total	18,800,037	21,646,239	21,818,051	22,456,577	17,012,617
<i>Expenditure—Grand Total</i>	<i>43,329,368</i>	<i>48,985,239</i>	<i>54,428,656</i>	<i>62,386,955</i>	<i>58,823,699</i>
Per Head of Popula- tion—					
Revenue	£ s. d. 17 7 2	£ s. d. 19 8 8	£ s. d. 22 0 10	£ s. d. 27 0 0	£ s. d. 27 6 6
Ordinary Expen- diture	17 6 2	19 0 5	21 13 10	26 2 6	26 19 2
Loan Expenditure	13 5 6	15 1 2	14 10 3	14 14 0	10 19 5

The loan expenditure of the Federal Government for works and war services in 1921-22 amounted to £12,823,480. The proportion shown in the above table as being chargeable to Victoria (£3,613,000) has been calculated on a population basis.

PUBLIC DEBT.

The following statement shows the result of loan transactions including Treasury Bonds in aid of revenue to 30th June, 1922, 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, 1922.

		£
Cash received .. .. .	.. .. .	190,482,594
Discount and expenses after deducting premiums .. .. .	.. .. .	2,586,835
		<hr/>
Securities issued .. .. .	.. .. .	193,069,429
Loans redeemed by—	£	
Redemption loans	71,161,241	
Melbourne and Metropolitan Board's repayments	1,451,752	
Revenue (Special appropriations and Surplus Revenue)	4,054,200	
Redemption Funds	5,570,586	
Closer Settlement Fund	1,253,721	
Coal Mines Sinking Fund	7,050	
Discharged Soldiers' Concessions Fund	265,600*	
Discharged Soldiers' Settlement Fund	151,249	
Discount (securities purchased under par)	55,831	
		<hr/>
		83,971,230
		<hr/>
Loans outstanding on 30th June, 1922 .. .. .	.. .. .	109,098,199*

It will be seen that, upon the transactions to date, securities representing £193,069,429 have been issued, and that the amount of cash received has been £190,482,594. This means that the State has received £98 13s. 2d. 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 £89,924,739. The amount which has been paid off by means of new loans is £43,737,205 and by means of appropriations from revenue, &c., £3,007,500, while £471,790 has been transferred to the Melbourne register, leaving a balance due in London on 30th June, 1922, of £42,708,244, consisting of debentures amounting to £3,950,900, and inscribed stock, £38,757,344. 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 £100 net.	
	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.	
1855	1857-72	2-17	500,900	6	..	..
1856	1872-74	16-18	65,200	5	..	..
1859	1883	24	1,000,000	6	105 1 11½	103 18 11½	
1860	"	23	1,837,500	6	107 17 7½	106 14 7½	
1861	1884	"	812,500	6	104 17 10½	103 14 10½	
1862	1885	24	1,000,000	6	103 1 6½	101 18 6½	
1866	1891	23	1,600,000	6	102 19 7	101 16 7	
1869	1894	25	850,000	6	100 8 11½	99 5 11½	
1870	"	24	1,518,400	5	98 4 2½	97 1 2½	
1874	1899	25	1,500,000	5	100 17 6½	99 14 6½	
1876	1901	"	500,000	4	90 2 7	88 19 7	
1878	1904	26	2,500,000	4	94 16 10½	93 18 11½	
1879	"	25	457,000	4	..	..
1880	"	24	3,000,000	4½	97 17 5½	96 19 2½	
1880	"	24	2,000,000	4½	103 3 8½	102 5 11	
1915	1920-25	5-10	784,700	4½	100 0 0	98 2 9	
1916	1920-22	4-6	550,000	5½	97 9 4½	97 9 4½	
1916	1920-22	4-6	100,000	5½	97 9 4½	97 9 4½	
1917	1927	11	1,109,481	5½	95 18 7½	95 18 7½	
1917	1927	10	194,519	5½	95 17 8½	95 17 8½	
1919	1924-34	5-15	149,000	5½	100 0 0	98 5 0	
1883	1907	24	4,000,000	4	98 16 8½	97 13 7½	
"	1908	"	2,000,000	4	97 14 1½	96 10 11½	
1884	1913	29	1,957,500	4	98 5 7	97 2 8½	
"	1918-22	34	2,042,500	4	..	..
1885	1919	34	3,180,620	4	98 18 6½	97 15 9½	
1886	1920	"	819,380	4	..	..
1887	"	33	1,500,000	4	105 12 3½	104 9 0	
1888	"	32	3,000,000	4	102 5 6½	101 2 9	
1888	"	32	1,500,000	4	108 1 1½	106 18 0½	
1889	1923	34	3,000,000	3½	102 14 10	101 11 11½	
1890	"	33	4,000,000	3½	100 2 4	98 19 6	
1891	1921-26	30-35	850,000	3½	96 3 7	95 0 10	
1892	"	29-34	2,150,000	3½	91 13 7	90 10 8	
1893	1911-26	17-32	2,000,000	3½	91 7 5	93 4 8	
1899	1929-49	30-50	2,107,000	4	94 7 1	93 4 2	
1901	"	28-48	1,600,000	3	92 2 1	89 14 5	
1902	"	27-47	3,000,000	3	95 16 6½	93 8 3½	
1903	"	26-46	1,000,000	2	91 14 9½	89 8 0	
1906	"	23-43	3,148,176	3½	..	..
1907	"	22-42	587,808	3½	100 0 0	98 19 1	
1909	"	20-40	702,140	3½	97 3 11½	94 15 8½	
1910	"	19-39	1,500,000	3½	99 2 6	97 10 0	
1910	"	19-39	538,352	3½	99 2 6	97 10 0	
1913	1918-22	5-9	3,000,000	4	98 0 0	96 4 7	
"	1940-60	27-47	1,000,000	4	97 15 0	95 7 5	
"	"	"	2,000,000	4	96 18 9	94 9 10	
1915	1920-25	5-10	1,000,000	4	100 0 0	98 4 3½	
1919	1924-34	5-15	1,465,300	4½	100 0 0	98 10 0	
1920	"	"	2,850,400	5½	100 0 0	98 10 0	
1920	1923-25	3-5	2,232,363	6½	100 0 0	99 12 2	
1922	1930-40	8-18	4,000,000	5½	99 0 0	97 1 0	
			<i>Treasury-bonds</i>				
1892	1893	1	1,000,000	4½	99 3 11	99 1 5	
1898	1900	2	500,000	3½	100 0 0	100 0 0	
1903	1906	3	2,254,800	4	99 10 8½	96 18 10	
Total	..	..	89,924,739			
Paid off	..	..	46,744,705			
Transferred to Melbourne register	..	..	471,790			
Outstanding	..	..	42,708,244			

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.

The average rate paid by the Government for recent loans raised in London was $4\frac{3}{8}$ per cent. in 1913, nearly 5 per cent. in 1915, $5\frac{1}{4}$ per cent. in 1916 and 1917, $5\frac{3}{8}$ per cent. in 1919, $6\frac{3}{8}$ per cent. in 1920, and $5\frac{3}{4}$ per cent. in 1922.

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 £103,144,690. Of this amount £27,424,036 has been redeemed by loans, and £9,802,489 by revenue, &c., leaving due a balance of £65,918,165 on 30th June, 1922, consisting of debentures, £36,375,569, inscribed stock, £28,414,310, and Treasury bonds in aid of revenue, £1,128,286. In addition, outstanding inscribed stock for £471,290 and debentures for £500 have been transferred from the London to the Melbourne Register, so that of the debt outstanding the total amount payable in Melbourne is £66,389,955.

The amount of the loans raised in London and Melbourne to 30th June, 1922, inclusive of Melbourne and Hobson's Bay Railway Debentures taken over, was £193,520,529, and of this sum a total of £84,421,330 had been repaid at that date, viz., £12,809,989 out of the general revenue, and £71,611,341 out of the proceeds of redemption loans. The balance outstanding on 30th June, 1922, was £109,099,199. 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, 1922.	Annual Interest Payable.
	£	£
REVENUE-YIELDING WORKS.		
Railways	63,206,168	2,787,945
Discharged Soldiers' Settlement	17,372,027	1,003,406
Closer Settlement	3,917,516	143,784
Waterworks—		
Country	11,092,078	503,509
Metropolitan	938,182	31,020
Country Roads	3,935,215	211,428
Electricity Supply	1,580,282	93,554
Harbors	1,530,783	71,552
Agriculture and Advances to Farmers, &c.	456,403	21,408
Mining Development	294,936	10,559
Graving Dock	225,621	8,064
Total Revenue-yielding Works	104,549,211	4,886,229

PURPOSES FOR WHICH LOANS WERE RAISED—*continued.*

Loans Raised for—	Amount of Loans outstanding on 30th June, 1922.	Annual Interest Payable.
OTHER WORKS.		
	£	£
State Schools, Technical Schools, and University Public Offices, Law Courts, and Parliament Houses	1,957,287	82,368
Wire Netting	270,019	11,877
Loans to Municipalities	198,301	8,389
Defence Works	239,083	13,599
Other Public Works and Buildings	112,510	3,875
Miscellaneous	277,619	9,771
	366,883	13,519
Total Other Works	3,421,702	143,398
In aid of Revenue	1,128,286	56,642
Net Borrowings	109,099,199	5,086,269

Of the proceeds of the loans outstanding on 30th June, 1922, sums not yet expended amounted in the aggregate to £1,449,571, of which £883,983 was for railways, £346,657 for country water supply, £82,399 for electricity supply, £76,070 for discharged soldiers' land settlement, £25,222 for State schools, and £35,240 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, 1922, inclusive of Treasury bonds in aid of revenue, was £109,099,199, as mentioned above. Of this sum £40,327,969 was in the form of debentures; £39,228,634 of inscribed stock (London Register); £28,414,310 of inscribed stock (Melbourne Register); and £1,128,286 of Treasury bonds in aid of revenue. Particulars concerning the due dates of loans outstanding on 30th June, 1922, are given in the following table. Where the Government has the option of redemp-

**Due Dates
of Loans.**

tion during a specified period the loans have been classified according to the latest date of maturity :—

DUE DATES OF VICTORIAN LOANS ON 30TH JUNE, 1922.

Due Dates.	Payable in London.	Payable in Melbourne.	Total.
	£	£	£
Overdue .. .. .	..	1,000	1,000
1922	3,647,562	4,228,068	7,875,630
1923	6,978,600	12,049,963	19,028,563
1924 .. .. .	..	11,776,558	11,776,558
1925	4,552,263	9,798,723	14,350,986
1926	4,940,150	987,647	5,927,797
1927	1,304,000	944,200	2,248,200
1928 .. .. .	..	997,325	997,325
1929 .. .. .	..	1,058,861	1,058,861
1930 .. .. .	..	1,944,800	1,944,800
1931 .. .. .	..	1,388,638	1,388,638
1932 .. .. .	..	933,700	933,700
1934	2,994,494	5,506	3,000,000
1936 .. .. .	..	300,000	300,000
1940	4,000,000	248,900	4,248,900
1941 .. .. .	..	324,380	324,380
1942 .. .. .	..	485,100	485,100
1943 .. .. .	..	3,600	3,600
1944 .. .. .	..	400	400
1946 .. .. .	..	217,400	217,400
1949	11,328,759	370,612	11,699,371
1954 .. .. .	..	123,874	123,874
1960	2,962,416	17,284	2,979,700
Government Option*	..	5,692,489	5,692,489
Not yet fixed†	(a)	11,816,927	11,816,927
	(b)	92,000	92,000
	(c)	583,000	583,000
Total	42,708,244	66,390,955	109,099,199

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

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

Loans and Interest payable in London and Melbourne. An analysis of the next table reveals interesting information in regard to the practice adopted when raising money in recent years. During the last 22 years the amount of loans due in Melbourne has grown from £4,669,306 to £66,390,955, while the amount due in London has slightly decreased. 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 1922.

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

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 1921-22 the amount was £9,387, which was paid as commission.

The appended table shows the rates of interest which were payable on the public debt at 30th June, 1922, and the portions of the debt at each rate in London and Melbourne respectively :—

RATES OF INTEREST ON PUBLIC DEBT AT 30TH
JUNE, 1922.

Rate of Interest.	Amount Payable in—		
	London.	Melbourne.	Total.
%	£	£	£
Not bearing interest .. .. .	..	1,000	1,000
7 $\frac{1}{4}$ .. .. .	..	582,814	582,814
6/15/2 .. .. .	..	631,248	631,248
6/7/0 .. .. .	..	5,523,543	5,523,543
6 $\frac{1}{4}$	2,302,363	6,185,292	8,487,655
6 .. .. .	..	1,272,351	1,272,351
5 $\frac{3}{4}$ .. .. .	..	5,096,833	5,096,833
5 $\frac{1}{2}$	8,298,494	11,729,873	20,028,367
5/6/11 .. .. .	..	3,563,724	3,563,724
5/5/3 .. .. .	..	1,603,998	1,603,998
5 $\frac{1}{4}$	650,000	2,412,860	3,062,860
5 .. .. .	..	3,073,442	3,073,442
4 $\frac{3}{4}$ .. .. .	..	1,000,000	1,000,000
4 $\frac{1}{2}$ .. .. .	..	1,648,160	1,648,160
4 $\frac{1}{4}$	2,249,900	730,675	2,980,575
4 $\frac{1}{8}$ .. .. .	..	696,260	696,260
4 $\frac{1}{8}$ .. .. .	..	3,900,000	3,900,000
4	5,959,978	3,357,469	9,317,447
3 $\frac{3}{4}$ .. .. .	..	779,683	779,683
3 $\frac{1}{2}$	18,044,948	8,071,217	26,116,165
3	5,202,561	4,526,913	9,729,474
Not fixed .. .. .	..	3,600	3,600
Total	42,708,244	66,390,955	109,099,199
Average Rate of Interest	4·13	5·01	4·66

Growth of Public Debt. The next return shows the growth of the public debt and interest since the date of the establishment of responsible government in 1855. The average rate of interest payable on the indebtedness declined from 6 per cent. in 1855 to $3\frac{1}{2}$ per cent. in the years 1911 to 1913, after which there was a gradual increase to 4 per cent. in 1920; in 1922 the rate was $4\frac{2}{3}$ per cent. In relation to population, the annual interest payable per head increased considerably from 1855 to 1900; from that year to 1914 there was only a slight increase in the amount of such interest, but since 1914 it has almost doubled.

**GROWTH OF PUBLIC DEBT AND INTEREST:
1855 TO 1922.**

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

Expenditure from Loans. In addition to the ordinary expenditure from revenue, certain sums are disbursed annually for various purposes from amounts raised by means of loans. The following table shows the details of such expenditure in each of the last five years:—

LOAN EXPENDITURE: 1917-18 TO 1921-22.

(Excluding Loans in aid of Revenue.)

Works.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
Railways	761,705	878,384	982,182	1,685,329	3,478,021
Water Supply ..	302,955	412,267	570,028	692,659	968,048
Closer Settlement ..	103,494	Cr. 37	1,912	1,187	18
Discharged Soldiers' Land Settlement (including Concessions)	170,000	1,157,266	5,202,396	6,893,370	4,431,835
Wire Netting ..	9,472	3,766	20,985	36,935	21,569
State Schools and University	14,016	642	18,223	96,352	284,556
Country Roads ..	241,892	360,524	623,570	965,646	964,163
Electricity Supply ..	..	..	1,176	183,867	1,520,451
Cool Storage (including Advances to Companies)	105,211	29,677	110,752	176,145	40,007
Primary Products—Advances to Companies, &c.	..	..	..	264,840	53,761
Other Expenditure ..	222,934	90,032	70,042	98,828	42,561
Total ..	1,931,679	2,932,521	7,601,266	11,095,158	11,804,990
Per Head of Population ..	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
	1 7 3	2 0 10	5 1 2	7 5 3	7 12 3

The following statement shows the average annual amount expended in each decade from 1881 to 1921, and in the financial year 1921-22:—

AVERAGE AMOUNT OF LOAN EXPENDITURE PER ANNUM.

	£
10 years ended 30th June, 1891	2,270,128
10 years ended 30th June, 1901	755,194
10 years ended 30th June, 1911	976,497
10 years ended 30th June, 1921	4,342,651
Year ended 30th June, 1922	11,804,990

SINKING FUNDS.

Sinking Funds. On 30th June, 1922, the sinking funds for repayment of the public debt amounted to £2,754,540. The balances to the credit of the various funds at that date are shown in the following table:—

	Balance at Credit.
	£
Mallee Land Account	50,998
Victorian Government Consolidated Incribed Stock Redemption Fund	2,312,039
Victorian Loans Redemption Fund	180,626
Closer Settlement Redemption Fund	40,000
State Coal Mines Sinking Fund	88,786
Main Roads Sinking Fund	82,091
Total	2,754,540

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, 1921, was £52,055, and during 1921-22 the receipts amounted to £121,713, and the expenditure to £122,750, so that the balance in the fund on 30th June, 1922, was £50,998.

Consolidated Incribed Stock Redemption Fund. By Act No. 1561 of 1898 it was enacted that a "Victorian Government Consolidated Incribed 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 1921-22 there was an expenditure of £86 from this fund and receipts

amounted to £235,748. Transactions to 30th June, 1922, were as follows :—

THE VICTORIAN GOVERNMENT CONSOLIDATED INSCRIBED STOCK REDEMPTION FUND: 30th JUNE, 1922.

Transactions.	To 30th June, 1922.
RECEIPTS.	
	£
Waterworks Trusts	320,110
Mallee Land Account	980,000
Revenue	755,448
Interest on Investments	529,749
Miscellaneous	102,439
Total receipts	2,687,746
EXPENDITURE.	
Purchase of Stock	374,484
Commission, &c.	1,211
Investment Expenses	12
Total expenditure	375,707
Balance in the Fund	2,312,039
Amount of stock repurchased and cancelled	397,405

Of the balance in the fund, £2,253,211 was invested in Victorian Government debentures and stock, and £58,828 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, repurchase, 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 1921-22 receipts amounted to £290,531, and £384,778 was expended in the purchase for cancellation of £393,872 stock and debentures, of which £143,236 bore interest at 3 per cent., £2,900 at 3½ per cent., £116,050 at 4 per cent., £5,253 at 4¼ per cent., £76,433 at 5 per cent., and

Loans
Redemption
Fund.

£50,000 at 5 $\frac{3}{4}$ per cent. Transactions in the fund to 30th June, 1922, are shown in the following statement:—

THE VICTORIAN LOANS REDEMPTION FUND:
30th JUNE, 1922.

Transactions.	To 30th June, 1922.
RECEIPTS.	
From Revenue.. .. .	£ 2,426,371
Resumption of land in Mallee Districts and valuation of improvements	25,945
Payments by Municipalities	366,242
Geelong Municipal Waterworks Trust	265,000
Interest on Investments	162,025
Shipbuilding Yard (realization)	178,500
Sale of Dredge	4,288
Repayment of Loans—	
Bush fires relief	22,639
Floods relief	1,453
Seed advances	600,551
New pilot steamer	14,404
Yarrowee Channel	15,524
Wire netting	316,290
Cool Stores	33,443
Municipalities	311,401
Country roads	80,000
Cattle advances	57,523
Royal Agricultural Society	1,541
Primary products	16,093
Excess of face value of securities over amount invested	408
Total receipts	4,899,641
EXPENDITURE.	
Purchase of stock and debentures	4,719,015
Balance in the Fund	180,626
Amount of stock and debentures repurchased and cancelled	4,751,260

The balance in the fund was represented by Victorian Government debentures and stock having a face value of £172,985, and £7,641 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, 1922, the revenue of the Fund had been applied in the cancellation of stock and debentures to the value of £60,000.

**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, 1922, the receipts of that Fund amounted to £95,836. Stock and debentures to the value of £7,050 had been cancelled at par, and there was thus a balance of £88,786, of which £76,314 was invested and £12,472 held in cash.

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, 1922, amounted to £82,091 (£64,631 being invested and £17,460 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, 1922, to £2,754,540 and £6,598,524 respectively.

On 30th June—	Amount at Credit of Trust Funds.		
	Invested in Victorian Debentures, Stock, or Bonds.	Held Otherwise.*	Total.
	£	£	£
1918	3,654,681	7,271,114	10,925,795.
1919	4,046,874	8,239,606	12,286,480
1920	3,963,276	8,577,569	12,540,845
1921	4,386,711	10,183,689	14,570,400
1922	4,760,336	8,100,051	12,860,387

* In bank deposit receipts, cash, and 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, 1922, were £18,145 and £52,127 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, 1922, 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, 1922.

State.	Public Debt.		Interest Payable.		
	Amount.	Per Head of Population.	Amount.	Per Head of Population.	Average Rate per cent.
	£	£ s. d.	£	£ s. d.	
Victoria ..	109,099,199	69 9 3	5,086,269	3 4 10	4.662
New South Wales ..	180,796,322	84 3 8	8,333,768	3 17 7	4.609
Queensland ..	85,691,228	109 2 0	3,708,061	4 14 5	4.327
South Australia ..	54,388,688	107 13 9	2,561,016	5 1 5	4.709
Western Australia ..	54,959,778	161 17 8	2,362,559	6 19 2	4.299
Tasmania ..	21,945,411	102 16 9	1,045,620	4 18 0	4.764

The public debt of the Commonwealth on 30th June, 1922, was £416,070,509, and that of the six States, £506,880,626. From the total of these a deduction of £29,528,297 must be made for debts included twice. The balance (£893,422,838) represents the liability of the Australian public at the date mentioned, which is equal to £160 9s. 2d. per head of the population.

The full indebtedness of the State, municipalities and corporations for the year 1922 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, 1922.

	£	£
State Public Debt—		
London Register	42,708,244	
Melbourne Register	66,390,955	
Other State Debt	409,747	
Total State Debts		109,508,946
Municipal	4,429,844	
Harbor Trusts	2,803,041	
Metropolitan Fire Brigades Board	136,288	
Melbourne and Metropolitan Board of Works	12,580,310	
Total Debts of Municipalities and Corporations		19,949,483
Gross Debts		129,458,429
Sinking Funds		3,682,106
Net Debt		125,776,323

This sum (£125,776,323) is equal to a net debt of £80 1s. 7d. per head of the population on 30th June, 1922.

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 : 1917-18 TO 1921-22.

Heads of Taxation.	Amount Received.				
	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
Federal—					
Customs Duties ..	2,970,677	4,010,055	4,371,405	7,345,609	5,835,394
Excise Duties ..	1,003,085	1,631,074	1,963,915	2,525,847	2,644,585
Income Tax*	1,856,000	2,527,000	3,601,000	4,203,000	4,533,000
Land Tax ..	486,250	534,000	486,000	492,436	525,000
Succession Duties	357,995	370,000	619,000	435,873	367,000
War-time Profits Tax* . . .	208,500	327,000	474,000	495,000	280,000
War Postage ..	..	132,000	215,000	56,000	..
Entertainments Tax	72,209	110,815	176,411	203,769	222,210
Total Federal Taxation ..	6,954,716	9,641,944	11,906,731	15,757,534	14,407,189
State—					
Licences ..	158,842	179,338	213,204	274,020	320,127
Probate and Succession Duties ..	506,662	718,194	881,423	702,468	706,181
Duties on Bank Notes ..	1,936	1,901	1,871	1,854	1,790
Stamp Duties ..	505,637	581,917	820,618	928,367	930,859
Land Tax ..	353,156	324,232	314,217	331,756	372,060
Income Tax ..	773,468	928,210	915,551	1,591,198	1,443,209
Race Clubs' percentage ..	11,022	11,154	12,883	17,170	16,948
Total State Taxation ..	2,310,723	2,744,946	3,159,767	3,846,833	3,791,174
Municipal Taxation ..	1,522,804	1,648,403	1,840,062	2,167,757	2,399,256
Total Taxation	10,788,243	14,035,293	16,906,560	21,772,124	20,597,619

* Estimated.

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 : 1917-18 TO 1921-22.

Division.	Taxation per Head of Population in—				
	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
Federal	£ 4 18 2	£ 6 14 2	£ 7 18 5	£ 10 6 3	£ 9 5 9
State	1 12 7	1 18 2	2 2 0	2 10 4	2 8 11
Local	1 1 6	1 2 11	1 4 6	1 8 4	1 10 11
Total	7 12 3	9 15 3	11 4 11	14 4 11	13 5 7

On 27th October, 1921, the stamp duty chargeable upon Victorian betting tickets was increased, and the duty was amended, as from 1st January, 1922, by the *Betting Tax Act No. 3165*. The revenue from this source in 1921-22 was £136,819. The duties imposed by Act No. 3165 are as follows :—

Betting Tickets.	Stamp Duty Chargeable.
	<i>d.</i>
Any betting ticket issued by a bookmaker on the Flemington race-course—	
In the grand-stand enclosure	6
In that portion known as the hill	2
Elsewhere in the race-course grounds	1
Any betting ticket issued by a bookmaker on any race-course within 20 miles of Melbourne—	
In the grand-stand enclosure	6
Elsewhere in the race-course grounds	2
Any betting ticket issued by a bookmaker on any other race-course	1

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 for the year 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 1921-22 (*vide* page 40). Municipal licences for slaughtering, dairies, noxious trades, &c., are excluded, also insurance licences (£71,204), and book-makers' licences (£14,610), the two last mentioned having been shown under Stamp Duties.

REVENUE FROM LICENCES : 1921-22.

Description of Licence.	Net Revenue Received.
	£
Spirit Merchants and Grocers	28,725
Victuallers	237,865
,, Temporary	3,872
Railway Refreshment Rooms	2,737
Packet	110
Australian Wine	5,019
Billiard Table	4,183
Brewers	199
Vignerons	85
Club Certificates	6,327
Permits (Extra Bars and Extended Hours)	1,762
Auctioneers	21,598
Tobacco and Cigars—Selling	1,925
Pawnbrokers	910
Hawkers	1,905
Carriage, Stage Carriage, Forwarding Agents	351
Marine Stores	211
Explosives	685
Race Clubs	630
Gold-buyers	197
Second-hand Dealers	659
Farm Produce Agents	172
Total	320,127

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 1922 were as follows:—

Description of Licences	Amount of Fees collected.
<i>Customs.</i>	
	£
Carriage	232
Lighter and Boat	8
Custom House Agents	337
Bond	4,345
<i>Excise.</i>	
Distilling—	
General Distillers	250
Wine Distillers	150
Vignerons	85
Brewers	1,350
Manufacturing Tobacco, Cigars, Cigarettes, and Snuff ..	2,028
Starch	15
Methylators	2