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CHAPTER XXVII. MISCELLANEOUS.

§ 1. Patents, Trade Marks and Designs.

1. **Patents.**—(i) *General.* The granting of patents is regulated by the Commonwealth Patents Act 1903–1935, which, in regard to principle and practice, has the same general foundation as the Imperial Statutes, modified to suit Australian conditions. The Act is administered by a Commissioner of Patents. Fees totalling £10 are sufficient to obtain letters patent for the Commonwealth of Australia and the Territories of Papua, New Guinea and Norfolk Island. Renewal fees are payable as follows:—£1 before the expiration of the fifth year and an amount progressively increasing by ten shillings before the expiration of each subsequent year up to the fifteenth, when the fee becomes £6. If a renewal fee is not paid when it becomes due, an extension of time up to twelve months may be granted on grounds specified in the Act, and subject to the payment of prescribed fees.

(ii) *Summary.* The number of separate inventions in respect of which applications were filed during the years 1939 to 1943 is given in the following table, which also shows the number of letters patent sealed in each year:—

PATENTS : AUSTRALIA.

Particulars.	1939.	1940.	1941.	1942.	1943.
No. of applications	5,740	4,438	4,060	3,793	4,604
No. of applications accompanied by provisional specifications	3,161	2,784	2,363	2,164	2,242
Letters patent sealed during each year	3,141	2,480	2,127	1,795	1,424

(iii) *Revenue.* The revenue of the Commonwealth Patent Office during the years 1939 to 1943 is shown hereunder:—

PATENTS : REVENUE, AUSTRALIA.

Particulars.	1939.	1940.	1941.	1942.	1943.
	£	£	£	£	£
Fees collected under Patents Act	45,581	40,651	40,949	44,951	46,852
Receipts from publications	1,828	1,429	1,022	1,046	1,184
Total	47,409	42,080	41,971	45,997	48,036

2. **Trade Marks and Designs.**—(i) *Trade Marks.* Under the Trade Marks Act 1905 the Commissioner of Patents is also Registrar of Trade Marks. This Act has been amended from time to time, the last amendment having been made in 1936. Special provisions for the registration of a “Commonwealth Trade Mark” are contained in the Act of 1905, and are applicable to all goods included in or specified by a resolution passed by both Houses of Parliament that the conditions as to remuneration of labour in connexion with the manufacture of such goods are fair and reasonable.

(ii) *Designs.* The Designs Act 1906, as amended by the Patents, Designs and Trade Marks Act 1910 and the Designs Acts 1912, 1932, 1933 and 1934, is now cited as the Designs Act 1906-1934. Under this Act a Commonwealth Designs Office has been established, and the Commissioner of Patents appointed "Registrar of Designs".

(iii) *Summary.* The following table shows the applications for trade marks and designs received and registered during the years 1939 to 1943 :—

TRADE MARKS AND DESIGNS : AUSTRALIA.

Applications.	1939.	1940.	1941.	1942.	1943.
RECEIVED.					
Trade Marks	1,992	1,618	1,360	837	1,227
Designs	865	605	479	221	322
REGISTERED.					
Trade Marks	1,580	1,209	1,218	925	788
Designs	736	567	381	199	103

(iv) *Revenue.* The revenue of the Trade Marks and Designs Office during the years 1939 to 1943 is given hereunder :—

TRADE MARKS AND DESIGNS : REVENUE, AUSTRALIA.

Particulars.	1939.			1940.			1941.			1942.			1943.		
	Trade Marks.	Designs.	Publications.												
Fees collected under Commonwealth Acts ..	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
..	15,951	1,082	19	13,660	885	10	9,475	723	18	9,304	690	17	8,806	812	19

No fees in respect of Trade Marks have been collected under State Acts since 1922.

§ 2. Copyright.

1. *Legislation.*—Copyright is regulated by the Commonwealth Copyright Act 1912-1935 wherein, subject to modifications relating to procedure and remedies, the British Copyright Act of 1911 has been adopted and scheduled to the Australian law.

Reciprocal protection of unpublished works was extended in 1918 to citizens of Australia and of the United States of America under which copyright may be secured in the latter country by registration at the Library of Congress, Washington. The Commonwealth Government promulgated a further Order in Council which came into operation on 1st February, 1923, and extended the provisions of the Copyright Act to the foreign countries of the Copyright Union, subject to the observance of the conditions contained therein.

2. **Applications and Registrations.**—The following table shows under the various headings the number of applications for copyright received and registered, and the revenue obtained for the years 1939 to 1943 :—

COPYRIGHT : AUSTRALIA.

Particulars.	1939.	1940.	1941.	1942.	1943.
Applications received—					
Literary	1,438	1,507	1,486	1,095	1,202
Artistic	53	45	57	24	29
International	3	1	..	..	..
Applications registered—					
Literary	1,359	1,371	1,429	856	1,140
Artistic	38	29	51	15	76
International	1	1	..	..	..
Revenue	£ 411	397	386	283	310

§ 3. Local Option and Reduction of Licences.

Local option concerning the sale of fermented and spirituous liquors is in force in South Australia and Tasmania. In Victoria, Queensland and Western Australia State-wide polls have superseded the local polls, while in New South Wales the taking of local option polls has been suspended since 1913, though a special State-wide referendum was taken in 1928 on the question of State-wide prohibition with compensation. At the poll held in Victoria on 8th October, 1938, the voting was as follows :—

For abolition of licences	368,676
Against abolition of licences	721,704
Informal	7,648

The percentage of electors who voted was 95.38.

In all States other than South Australia a maximum number is established above which licences shall not be increased except under certain specified conditions (the principal case being the greater demand for service of a considerably increased population). Licences Reduction Boards are in operation in New South Wales and Victoria and in all other States machinery exists for the reduction of licences where it seems desirable or where there is a local option vote in favour of the reduction of licences.

In earlier issues of the Official Year Book (see No. 22, pp. 1005–8), details, by States, were published of polls taken and of the operations of the Licences Reduction Boards.

§ 4. Lord Howe Island.

Lord Howe Island is situated in latitude 31° 30' south, longitude 159° 5' east, about 436 miles north-east of Sydney, and has an area of 3,220 acres. The climate is mild and the rainfall abundant, but on account of the rocky formation of its surface only about 300 acres are suitable for cultivation, most of which are devoted to the production of *Kentia Palm Seed*. The land belongs to the Crown and is occupied rent-free on sufferance.

Discovered in 1788, the Island was first settled by a small party of Maoris in 1853; afterwards a colony was settled from Sydney. Constitutionally the Island is a dependency of New South Wales and is included in King, one of the electorates of Sydney. A Board of Control at Sydney manages the affairs of the Island and supervises the palm seed industry. The population was 161 at the Census of 30th June, 1933, and 150 at 31st December, 1941.

§ 5. Commonwealth Council for Scientific and Industrial Research.

1. **General.**—By the Science and Industry Research Act 1920–1939, the previously existing Commonwealth Institute of Science and Industry was reorganized under the title of the Council for Scientific and Industrial Research. An account of the organization and work of the former Institute was given in earlier issues of the Official Year Book. (See No. 18, p. 1062.)

2. **Science and Industry Research Act 1920–1939.**—This Act provides for a Council, consisting of—

- (a) Three members nominated by the Commonwealth Government ;
- (b) the Chairman and Vice-Chairman of each State Committee constituted under the Act ; and
- (c) such other members as the Council, with the consent of the Minister, co-opts by reason of their scientific knowledge.

The three Commonwealth nominees form an Executive Committee which may exercise, between meetings of the Council, all the powers and functions of the Council, of which the principal are as follows :—(a) To initiate and carry out scientific researches in connexion with primary or secondary industries in Australia ; (b) to train research workers and to establish industrial research studentships and fellowships ; (c) to make grants in aid of pure scientific research ; (d) to establish industrial research associations in any industries ; (e) to test and standardize scientific apparatus and instruments ; (f) to establish a Bureau of Information ; and (g) to act as a means of liaison between Australia and other countries in matters of scientific research.

State Committees, whose main function is to advise the Council as to matters that may affect their respective States, have been constituted in accordance with prescribed regulations.

3. **Science and Industry Endowment Act 1926.**—Under this Act, the Government established a fund of £100,000, the income from which is used to provide assistance (a) to persons engaged in scientific research ; and (b) in the training of students in scientific research. Provision is made for gifts or bequests to be made to the fund, which is controlled by a trust consisting of the three Commonwealth nominees on the Council. In accordance with the Act, arrangements have been made to send a number of qualified graduates abroad for training in special fields of work.

4. **Work of the Council.**—The full Council held its first meeting in June, 1926, and has since met at about half-yearly intervals. It has adopted a policy of placing each of its major fields of related researches under the direction of an officer having a standing at least as high as, if not higher than, that of a University Professor.

The main branches of work of the Council are (i) plant problems, (ii) soil problems, (iii) entomological problems, (iv) animal health and nutrition problems, (v) forest products, (vi) food preservation and transport, (vii) fisheries, (viii) physical standards, (ix) aeronautics, (x) industrial chemistry, (xi) radio research, (xii) lubricants and bearings, (xiii) dairy research, (xiv) biometrics, and (xv) mineragraphic investigations and ore-dressing. Successful results have been obtained in many directions, particularly in regard to bitter pit in apples, spotted wilt in tomatoes, water blister of pineapples, blue mould of tobacco, the cultivation of vegetables and medicinal plants, the cultivation and drying of vine fruits, the cultivation of citrus fruits, contagious pleuro-pneumonia of cattle, the feeding of sheep for increased wool production, black disease, infectious entero-toxæmia, pulpy kidney and caseous lymphadenitis of sheep, internal parasites, coast disease of sheep, soil surveys, paper-making from Australian timbers, timber seasoning and preservation, the preservation and transport of bananas, oranges, chilled beef and other foodstuffs, the dehydration of meat and vegetables, the preparation of canned fruit juices, processes for the production of essential chemicals previously imported, the production of agar and fish oils and the utilization of fish offal. During the early years of its existence, the work of the Council was directed almost exclusively to the solution of problems affecting primary industries. In 1938, however, the Commonwealth Government provided funds to enable the Council to extend its activities to the field of secondary industrial research. For that purpose a National

Standards Laboratory has been established in Sydney and an Aeronautical Research Laboratory in Melbourne. A Division of Industrial Chemistry has also been formed; its central laboratory is being erected in Melbourne. An Information Section has been established at the Council's Head Offices, Melbourne; it specializes in bibliographical searches of literature and the provision of photostat copies of articles and translations. Practically all the Council's activities are now directed to the solution of problems arising out of the war and to assistance and advice to various Government Departments and other institutions which are concerned with the war effort. More detailed information concerning the past work of the Council appeared in Official Year Book, No. 22, p. 1009.

§ 6. Australian Institute of Anatomy.

1. **Foundation of Institute.**—The Australian Institute of Anatomy, situated in Canberra, occupies a monumental building erected by the Commonwealth Government under the Zoological Museum Agreement Act of 1924. Prior to the passing of this Act, the Commonwealth Government had expressed regret that the Australian Nation possessed neither a collection of specimens of the unique and fast disappearing fauna of Australia, nor a Museum in which such specimens could be preserved for future generations. Comparative anatomy is the basis of medical science, and while the importance of a study of Australian animals in the solution of various medical problems had for years been recognized by other countries and steps taken by them to procure specimens for their museums, national effort in this direction was neglected in Australia. The late Sir Colin MacKenzie, the first Director of the Institute of Anatomy, however, very kindly presented to the Commonwealth Government his entire private collection, and this magnificent gift was acquired and provision was made for its proper housing under special legislation by the Commonwealth Government. In 1931 the Institute became an integral part of the Commonwealth Department of Health.

2. **Additions to Original Collection.**—In addition to the original collection, which has been greatly augmented, the following gifts have been made to the Australian Nation, and are on view in the Institute :—

- (1) *Horne-Bowie Collection.*—Dealing with the life of Central Australian aborigines and throwing valuable light on the psychology of this Stone Age people.
- (2) *Burrell Collection.*—This deals with the life history of the platypus, and is unique in the world. The platypus is the most primitive mammal known to science, and is the link between the bird, the reptile and the mammal.
- (3) *Milne Collection.*—This is an anthropological and ethnological collection dealing with the aborigines of New South Wales, and contains many valuable and now unobtainable native weapons and implements.
- (4) *Murray Black Collection* of anatomical material representative of the aborigines of Southern Victoria and the River Murray.
- (5) *Nankivell Collection*, illustrating the anatomy of the aborigines of the Murray Valley.
- (6) *Harvard University Collection.*—This includes a collection of specimens from the Harvard University, U.S.A., representing a carefully worked out epitome of archaeology of the United States of America, and, together with two rare skeletons of primitive North American Indians, was a goodwill gift from the University to the Institute of Anatomy.
- (7) *The Sir Hubert Murray Collection.*—The ethnological and osteological collection of the late Sir Hubert Murray, formerly Lieutenant-Governor of Papua. This deals especially with the anthropology of Papua.
- (8) *The Rabaul Ethnological Collection.*—This concerns chiefly the ethnology of the Mandated Territory of New Guinea.
- (9) *The Basedow Collection.*—This collection has been recently purchased by the Commonwealth Government. It deals especially with the anthropology of Central and Northern Australia and was assembled, after many years of research, by the late Dr. Herbert Basedow of Adelaide, who was formerly Protector of Aborigines.

- (10) Many hundreds of specimens and books received from numerous interested scientists, the most outstanding being those from Mr. E. Hill, of Nagambie, Victoria; Mrs. Harry Burrell, New South Wales; and medical books for the Library from the estates of the late Drs. Molloy, David Grant and Robert Stirling.

3. **Endowments for Orations and Lectures.**—In addition to the aforementioned donations of material, there have been several endowments for Orations and Lectures as follows :—

- (1) *The Halford Oration.*—Endowed with a gift of £1,000 by the family of the late Professor G. B. Halford, founder of the first medical school in the Southern Hemisphere. The interest on this amount is given to a prominent scientist to deliver an oration on a subject suggested by the life and work of the late Professor G. B. Halford.
- (2) *The Anne MacKenzie Oration.*—Founded with a gift of £1,000 by the late Sir Colin MacKenzie, in memory of his mother. The orator receives the annual interest for delivering an oration on any phase of "Preventive Medicine".
- (3) *The Dr. G. E. Morrison Memorial Lecture on Ethnology.*—Founded by Chinese residents in Australia, in memory of a great Australian who rendered important services to China.
- (4) *The Kendall Lecture in Veterinary Science.*—Endowed by the sons of the late Dr. W. T. Kendall, who was the founder of the first Veterinary School in the Southern Hemisphere.
- (5) *The Charles Mackay Lecture on Medical History.*—Endowed by Miss C MacKenzie with a gift of £607 as a memorial to her grandfather, an educationalist, who arrived in Melbourne in 1852 and died at Kilmore, Victoria.
- (6) *The Cilento Medal.*—This bronze medal has been endowed in perpetuity by Sir Raphael Cilento, Director-General of Health for Queensland, to be awarded annually to the scientist deemed to have accomplished the best practical work for the furtherance of Tropical Hygiene and Native Welfare in Australia.

4. **The Scope of the Institute.**—The building occupies portion of the site which has been reserved for the National University of Australia.

The Institute consists of two separate and distinct entities. Portion of the original collection of anatomical specimens assembled by the late Sir Colin MacKenzie is arranged in two large museums which are open to the general public. The material in these museums has been arranged so as to present simple lessons in human hygiene as well as to display the anatomical features and especially the peculiarities of Australian fauna.

The remainder of the building is devoted to research work where scientific investigations have been carried out in many branches of science. The large collections of bony anatomical material donated by Murray Black have provided most interesting and valuable data on aboriginal diseases. These have been studied in some detail.

In order to provide a reservoir of koalas upon which observations of their peculiar food habits might be made, a small reservation has been acquired, and fenced, about 40 miles from Canberra. In this area abounds the peculiar gum tree on which the Victorian koala feeds. This reservation has already been stocked with koalas from Victoria. Later other animals will be added.

In 1938, following upon the retirement due to ill-health of Sir Colin MacKenzie, the activities of the Institute were extended to interpret more fully the ideas of the founder. In the later years of his life Sir Colin had been keenly interested in the relationship of nutrition to the development of the child. When a section for the study of child growth and development was established by the Commonwealth Department of Health in 1938 the head-quarters were transferred to the Institute.

The section devoted to the study of nutrition has been considerably enlarged and many important problems relating to nutrition of the Australian people have been studied.

§ 7. The Commonwealth Solar Observatory.

1. **Reasons for Foundation.**—The primary purpose of the Observatory is the prosecution of scientific research, especially astrophysical research. At the same time the Observatory undertakes a number of routine observations which have proved of practical value to the nation.

2. **History of Inauguration.**—A short account of the steps leading up to the establishment of the Observatory appears in Official Year Book No. 19, p. 979.

3. **Site of the Observatory.**—The site selected for the observatory is on Mount Stromlo, a ridge of hills about 7 miles west of Canberra. The highest point is 2,560 feet above sea level, or about 700 feet above the general level of the Australian Capital City.

4. **Equipment.**—The principal astrophysical equipment of the Observatory consists of a sun telescope including an 18-in. coelostat, and a 30-in. reflecting telescope, the gift of J. H. Reynolds, Esq. Gifts also include a 9-in. refractor presented by the late Mr. James Oddie of Ballarat, and a 6-in. refracting telescope, presented by the Trustees of the late Lord Farnham. In addition, the Observatory is well equipped with special apparatus and has extensive workshop facilities.

5. **Observational Work.**—The observational work includes the following:—*(a)* solar research and the investigation of related phenomena; *(b)* astrophysical research including stellar spectroscopy; *(c)* positional astronomy including observations of the places of stars; *(d)* ionospheric and allied investigations; *(e)* terrestrial magnetism; and *(f)* the determination of time by the observation of stars, and the distribution of time signals.

§ 8. Standards Association of Australia.

The Standards Association of Australia is the national standardizing organization of Australia and issues Australian standard specifications for materials and codes of practice.

The Association was established in July, 1929, by the amalgamation of the Australian Commonwealth Engineering Standards Association and the Australian Commonwealth Association of Simplified Practice. It is an independent body in close touch with modern industrial requirements and has the full recognition and support of the Commonwealth and State Governments and industry.

The sole executive authority of the Association is vested in the Council on which industry is fully represented together with official representatives of the Commonwealth and State Governments and their Technical Departments, and of scientific, professional and commercial organizations. Voluntary assistance is rendered in the drafting of specifications and codes by more than 4,500 individuals who are experts in their particular fields and are organized into more than 500 committees. Among these are technical committees on: Agricultural Machinery; Aircraft Materials; Air Raid Precautions; Asbestos Cement Pressure Pipes; Bolts and Nuts; Bore Casing; Building Materials; Camouflage Paints; Cement; Chromium Plating; Coal and Coke; Colliery Equipment; Containers for the Carriage of Liquids; Creosote; Dairy Products; Electrical; Electrical Approvals; Fibrous Plaster Products; Galvanized Products; Heavy Textiles; Identification of Piping Systems; Joiners' Glue; Linen Thread; Locomotive and Railway Rolling Stock; Machine Belting; Marine Plywood; Metal Window Frames; Non-Ferrous Metals; Oil Filters for Motor Vehicles; Paint and Varnish; Pipes and Plumbing; Producer Gas for Motor Vehicles; Quality Control; Railway Permanent Way Materials; Road Materials; Road Making Machinery; Ropes and Cordage; Safety Glass; Scientific Glassware; Shafting, Gearing and Transmission; Structural Steel; Sugar Mill Machinery; Sulphur Dioxide; Steel Plate, Sheet and Strip; Terne Plate; Timber; Tool Steels; Tools and Gauges; Tramway Rails; and Wool Unshrinkability.

The Codes Group includes committees on: Boilers and Unfired Pressure Vessels; Concrete Structures; Cranes and Hoists; Electrical Wiring Rules; Explosives; Fire Protection; Interior Illumination of Buildings; Lift Installations; Pump Tests;

Refrigeration ; Road Signs and Traffic Signals ; Steel Structures ; Street Lighting ; Welding ; Work in Compressed Air ; and X-ray Equipment. Many committees, such as the Conditions of Contract Committee and the Institutional Supplies Committee, come under the Commercial Standards Division.

The specifications of the Association provide a suitable standard of performance, quality and dimension and an equitable basis for tendering. They help to eliminate redundant qualities and sizes. They enable purchasers to obtain their requirements with greater assurance of satisfaction, with more rapid delivery and without the necessity of drafting individual specifications.

The underlying principles covering the preparation of the specifications and codes are that they shall be in accordance with the needs of industry ; that the common interests of producer and consumer be maintained ; that periodical revision should keep the work abreast with progress ; and that standardization be arrived at by general consent without coercion.

Organizations, companies, firms and individuals interested in the work of the Association are eligible for subscription membership. Members are entitled to free copies of the publications of the Association and to the use of the library and its Special Information Service. Research is undertaken for committees, members of the Association, and industry in general. Many hundreds of inquiries were answered during the last year.

The Association has International affiliations and the standards of all British and foreign countries are filed in the library and are accessible to members. It also administers the Australian National Committees of the International Electrotechnical Commission, the World Power Conference and the International Commission on Large Dams.

The Association is also the representative of the British Standards Institution, and all British standards may be purchased from head-quarters and branch offices in the various States. British Air Ministry (D.T.D.) specifications are also on sale.

The head-quarters of the Association are at Science House, Gloucester-street, Sydney, and branches of the Association are situated at Temple Court, 422 Collins-street, Melbourne ; Empire Chambers, cr. Queen and Wharf-streets, Brisbane ; Alliance Building, Grenfell-street, Adelaide ; Gledden Building, Hay-street, Perth ; Premier's Department, Murray-street, Hobart ; Department of the Interior, Canberra ; and Howard Smith Chambers, Watt-street, Newcastle.

§ 9. Valuation of Australian Production.

1. *Net Value of Production.*—(i) *Australia.* The value of production for Australia is computed in accordance with the decisions reached by the Conference of Australian Statisticians and principally by the Conference held in 1935. The figures published below have been compiled by the State Statisticians. The adoption of substantially uniform methods of valuing production and of estimating elements of costs of production and marketing render the results comparable as between States.

Attention is directed to the fact that the value shown in the table refers only to recorded production and excludes the building and construction industry, those industrial establishments not classified as factories, and agricultural and farmyard produce obtained from areas of less than one acre.

The following is a brief explanation of the terms used in the table :—

- (a) "Gross value" is the value placed on gross production at the wholesale price realized in the principal markets. (In cases where primary products are consumed at the place of production or where they become raw material for a secondary industry, these points of consumption are presumed to be the principal markets.)
- (b) "Local value" is the gross production valued at the place of production and is ascertained by deducting marketing costs from the gross value. (Marketing costs include freight, cost of containers, commission and other charges incidental thereto.)

- (c) "Net value" represents the net return to the producer after deducting from the gross value costs of marketing and of materials used in the process of production. Materials used in the process of production include seed, power, power kerosene, petrol and other oils, fodder consumed by farm stock, manures, dips, sprays and other costs. No deduction has been made for depreciation and maintenance costs. This matter is more fully dealt with in *Production Bulletin* No. 36, Part II, issued by this Bureau.

It should be noted that maintenance costs of farm buildings and fences have not been deducted from the value of production of rural industries, as particulars are not available for all States. In addition there is an overstatement in the net value of production for New South Wales by the inclusion of power costs in rural industries. These costs which amounted to £1,900,000 in 1940-41 were not collected in 1942-43. The value shown for Mines and Quarries in Tasmania is understated owing to the omission of Quarries. This understatement, however, is more or less offset by the inclusion of production costs in Mining. As explained in the note (b) below, production costs are not available for all States in respect of Fisheries, and Local Values have been used for this industry with consequent overstatement.

Tables showing the total and *per capita* value of production are published, by States, for each of the ten years ended 1942-43. The tables will be found in the chapter dealing with each industry with the exception of Trapping.

GROSS, LOCAL AND NET VALUE OF RECORDED PRODUCTION: AUSTRALIA, 1942-43.

Industry.	Gross Production valued at Principal Markets.	Local Value—Gross Production valued at place of Production.	Net Value of Production (without deduction of depreciation or maintenance).
	£	£	£
Agriculture	111,305,317	95,691,218	76,788,224
Pastoral	115,892,152	105,764,739	101,014,176
Dairying	53,711,832	50,583,657	42,243,919
Poultry	17,272,745	15,644,440	11,154,018
Bee-farming	363,431	323,325	323,325
Total Rural (a) ..	298,545,477	268,007,379	231,523,662
Trapping	3,820,544	3,549,992	3,549,992
Forestry	12,638,907	11,319,157	11,013,245
Fisheries	2,287,464	1,934,967	(b)1,934,967
Mines and Quarries ..	37,746,256	37,308,202	30,766,798
Total Non-rural ..	56,493,171	54,112,318	47,265,002
Total All Primary ..	355,038,648	322,119,697	278,788,664
Factories	(c)352,001,424	(c)352,001,424	(c)352,001,424
Total All Industries ..	707,040,072	674,121,121	630,790,088

(a) The term "Rural" is used to cover those industries ordinarily considered to be farm industries.
 (b) Local value. Production costs not available for all States. (c) Net value.

(ii) States. The net value of production in each State is shown hereunder :—

NET (a) VALUE OF RECORDED PRODUCTION IN STATES, 1942-43.

Industry.	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Total.
	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.
Agriculture ..	23,548	19,026	15,416	10,316	4,956	3,526	76,788
Pastoral ..	38,212	24,767	22,011	7,132	6,684	2,209	101,015
Dairying ..	13,825	12,466	10,671	2,962	1,718	602	42,244
Poultry ..	3,392	5,238	576	750	674	524	11,154
Bee-farming ..	40	130	10	111	30	2	323
Total Rural (net)	79,017	61,627	48,684	21,271	14,062	6,863	231,524
Trapping ..	1,534	1,462	64	108	87	295	3,550
Forestry ..	3,155	2,282	2,328	1,011	1,423	814	11,013
Fisheries (local) ..	830	382	242	277	117	87	1,935
Mines and Quarries ..	12,897	1,884	3,352	2,950	7,144	2,540	30,767
Total Non-rural (local and net)	18,416	6,010	5,986	4,346	8,771	3,736	47,265
Total All Primary ..	97,433	67,637	54,670	25,617	22,833	10,599	278,789
Factories ..	153,682	121,380	29,045	28,366	11,453	8,075	352,001
Total All Industries ..	251,115	189,017	83,715	53,983	34,286	18,674	630,790

(a) See letterpress on page 896.

NET (a) VALUE OF RECORDED PRODUCTION PER HEAD OF MEAN POPULATION, 1942-43.

Industry.	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Total.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Agriculture ..	8 6 4	9 13 1	14 15 8	16 16 7	10 6 5	14 12 1	10 13 4
Pastoral ..	13 10 0	12 11 4	21 2 1	11 12 9	13 18 4	9 3 0	14 0 7
Dairying ..	4 17 8	6 6 6	10 4 8	4 16 8	3 11 7	2 9 11	5 17 4
Poultry ..	1 4 0	2 13 2	0 11 1	1 4 6	1 8 1	2 3 4	1 11 0
Bee-farming ..	0 0 3	0 1 3	0 0 2	0 3 7	0 1 3	0 0 2	0 0 11
Total Rural (net)	27 18 3	31 5 4	46 13 8	34 14 1	29 5 8	28 8 6	32 3 2
Trapping ..	0 10 10	0 14 10	0 1 3	0 3 7	0 3 7	1 4 6	0 9 10
Forestry ..	1 2 3	1 3 2	2 4 8	1 13 0	2 19 3	3 7 5	1 10 7
Fisheries (local) ..	0 5 11	0 3 11	0 4 8	0 9 0	0 4 11	0 7 2	0 5 5
Mining (net) ..	4 11 1	0 19 1	3 4 2	4 16 3	14 17 6	10 10 5	4 5 6
Total Non-rural (local and net)	6 10 1	3 1 0	5 14 9	7 1 10	18 5 3	15 9 6	6 11 4
Total All Primary (local and net)	34 8 4	34 6 4	52 8 5	41 15 11	47 10 11	43 18 0	38 14 6
Factories ..	54 5 9	61 11 6	27 17 0	46 5 7	23 17 0	33 9 0	48 17 11
Total All Industries ..	88 14 1	95 17 10	80 5 5	88 1 6	71 7 11	77 7 0	87 12 5

(a) See letterpress on page 896.

2. **Productive Activity.**—In the absence of a satisfactory measure of the total *quantity* of recorded production, the retail price index-numbers have been applied to the value of production, in the same manner as they have been applied to nominal wages, to measure their relative purchasing power. The results may be taken to indicate the purchasing power in retail prices of the things produced, and for convenience will hereafter be called *real* production. On account of the discontinuance of the "A" series index-number, it is not possible to continue the measurement on the basis of this series.

Two tables are given :—The first shows *real* production per head of population, but any deductions therefrom must take into account the following considerations. The production considered is material production only, and takes no account of services. As civilization advances, material production becomes less important relatively to services, and a smaller proportion of the population is engaged in such production. For example, the use of the motor car, the cinema and wireless is comparatively recent, and these employ a much larger number of people in services than in material production. Hence, material production per head of population will not measure accurately the progress of productive efficiency, but will tend to give too low a value. Unemployment, of course, will also depress it.

A better measure is afforded by *real* production per person engaged in material production. The second table attempts to give this. The result affords a better measure of productive efficiency, but does not take into account the effect of unemployment, though the index may be somewhat depressed by short time and rationing.

The two tables tell different stories. Before unemployment became severe in 1930 *real* production per head (as shown in the last column of the first table) had remained substantially steady with minor fluctuations since 1906. Whatever gain had been made in productive efficiency had been largely counterbalanced by the gradual change-over from production of goods to production of services. Coincident with the heavy increase in unemployment between the years 1930 and 1933, the maximum being reached in 1932, the index-number fell sharply from its normal level of about 100 to 78 in 1930-31. This would imply a fall in average *real* income of nearly one-fourth from the normal level, taking unemployment into account. Apart from a slight recession in 1934-35 due to a drop in wool values the index-number rose continuously from 1931-32 onwards; the pre-depression level was reached in 1935-36 and the peak of 1924-25 was exceeded in 1937-38. This upward movement was interrupted in 1938-39 but increased during the next four years to a new high level in 1942-43. In 1942-43 as a result of increased activity in all industries, due to the war and the consequent increase in employment the *real* production per head of population was about 8 per cent. above the previous peak recorded in 1939-40.

The index-number of *real* production per person engaged as given in the last column of the second table shows, on the other hand, an appreciable upward tendency. It rose steeply during the War of 1914-19, as might have been expected, fell somewhat after the war and recovered again. In 1929-30, the fall was substantial, due partly to the lag in the fall of retail prices, but it rose during the next four years to 126 only to fall again in 1934-35 to 117 with the drop in wool prices during that year. Most of this loss was recovered in 1935-36 while in 1936-37 it advanced to a new level, at which it was maintained during the following year. In each of the years 1941-42 and 1942-43 new high levels were reached; but in 1938-39, due mainly to lower agricultural production, and in 1940-41, due to a poor season, the *real* production per person engaged was considerably below the level of 1937-38. This figure for *real* production per person engaged implies a high *real wage* for those *in employment* and is consistent with available information concerning rates of *effective* or *real* wages, which more than maintained in recent years the high level reached in the years 1927 to 1929.

The data for the second table are not complete. The number engaged in timber-getting is not accurately known, so that the value of production on this account, and the corresponding persons engaged, are both left out of account. Further, the

information concerning women engaged in primary production is unsatisfactory, and only males are counted in primary industries. In manufacturing, the numbers are converted into equivalent male workers on the basis of relative wages for male and female workers. The column headed "number engaged" is, therefore, rather an index than the absolute number of individuals occupied in material production, but, as an index, it should be accurate enough to give a satisfactory measure of production per person engaged.

PRODUCTION PER HEAD OF POPULATION: AUSTRALIA.

Year.	Gross Value of Material Production.			Retail Price Index-numbers, 1911 = 1,000.		Real Production per head of population (1911 = 100) measured in purchasing power over regimen of—	
	Total.	Per head of population.		"A" Series.	"C" Series.	"A" Series.	"C" Series.
		Actual.	Index-number, 1911 = 100.				
	£'000.	£					
1906 ..	147,043	35.9	87	902	..	97	..
1911 ..	188,359	41.2	100	1,000	(1,000)	100	100
1913 ..	220,884	45.1	110	1,104	..	99	..
1914 ..	213,552	43.0	104	1,140	1,140	92	92
1916 ..	261,996	53.3	129	1,324	1,319	98	98
1917 ..	279,418	56.1	136	1,318	1,406	103	97
1918 ..	291,875	57.5	140	1,362	1,501	102	93
1919-20 ..	343,697	64.9	158	1,624	1,695	97	93
1920-21 ..	390,644	72.2	175	1,821	1,935	96	91
1921-22 ..	344,426	62.5	152	1,600	1,680	95	90
1922-23 ..	379,445	67.4	163	1,642	1,619	100	101
1923-24 ..	400,276	69.6	169	1,714	1,664	99	102
1924-25 ..	454,580	77.3	188	1,690	1,637	111	115
1925-26 ..	431,670	72.0	175	1,766	1,673	99	104
1926-27 ..	447,354	73.1	178	1,763	1,663	101	107
1927-28 ..	452,901	72.5	176	1,776	1,676	99	105
1928-29 ..	447,805	70.5	171	1,785	1,693	96	101
1929-30 ..	389,537	60.6	147	1,783	1,688	83	87
1930-31 ..	319,706	49.2	120	1,574	1,528	76	78
1931-32 ..	305,018	46.5	113	1,432	1,406	79	80
1932-33 ..	318,224	48.2	117	1,358	1,344	86	87
1933-34 ..	357,218	53.7	130	1,365	1,344	96	97
1934-35 ..	356,349	53.2	129	1,399	1,366	92	95
1935-36 ..	404,770	60.0	146	1,437	1,392	101	105
1936-37 ..	456,745	67.1	163	1,489	1,431	110	114
1937-38 ..	486,914	70.9	172	1,530	1,467	113	117
1938-39 ..	464,993	67.1	163	(a)	1,512	(a)	108
1939-40 ..	527,500	75.4	183	(a)	1,545	(a)	119
1940-41 ..	519,927	78.4	190	(a)	1,634	(a)	117
1941-42 ..	645,662	90.0	219	(a)	1,730	(a)	126
1942-43 ..	715,118	99.3	241	(a)	1,864	(a)	129

(a) Not available.

PRODUCTION PER PERSON ENGAGED : AUSTRALIA.

Year.	Number engaged in Material Production.(a)	Value of Material Production per person engaged in production.(a)		"Real" Production per person engaged (1911 = 100) measured in retail purchasing power over regimen of—	
		Actual.	Index-number. 1911 = 100.	"A" Series.	"C" Series.
	(¹ 000)	£			
1906	659	223	87	96	..
1911	728	257	100	100	100
1913	756	290	113	102	..
1914	733	289	113	99	99
1916	685	381	148	112	112
1917	683	408	159	120	113
1918	685	424	165	121	110
1919-20 ..	743	460	179	110	106
1920-21 ..	760	510	199	109	103
1921-22 ..	775	441	172	107	102
1922-23 ..	793	475	185	113	114
1923-24 ..	810	491	191	111	115
1924-25 ..	826	547	213	126	130
1925-26 ..	831	515	201	114	120
1926-27 ..	841	527	205	116	123
1927-28 ..	838	536	209	118	125
1928-29 ..	830	536	209	117	123
1929-30 ..	803	482	187	105	110
1930-31 ..	728	431	168	108	112
1931-32 ..	741	411	160	112	114
1932-33 ..	781	407	158	117	118
1933-34 ..	815	437	170	125	126
1934-35 ..	862	412	160	115	117
1935-36 ..	901	448	174	121	125
1936-37 ..	930	491	191	128	134
1937-38 ..	961	504	196	128	134
1938-39 ..	962	481	187	(b)	124
1939-40 ..	979	536	209	(b)	135
1940-41 ..	1,016	538	210	(b)	128
1941-42 ..	1,056	609	237	(b)	137
1942-43 ..	1,022	698	272	(b)	146

(a) See explanatory remarks above tables.

(b) Not available.

§ 10. Indexes of Production.

In the tables below, indexes of price and quantity production are given for the following industrial groups, namely :—Agriculture, Pastoral, Farmyard and Dairying, Gold and Other Minerals, and for all groups combined. The method used in calculating these indexes is the fixed base weighted aggregative method. Prices for any year are obtained by dividing value of production by quantity produced in that year, and the price indexes are computed by using as fixed quantity-multipliers, for the commodities

involved, the average quantities produced over the period 1923-24 to 1927-28. For the quantity indexes the multipliers are weighted average prices over the same period, which are obtained by dividing the total value of any commodity for the period by the total quantity produced. Exactly the same method is used for the combined group indexes (i.e., for All Farming and Total) as for the indexes for individual groups.

PRIMARY PRODUCTION : INDEX-NUMBERS OF PRICES, AVERAGE 1923-24 TO 1927-28 AS BASE (=1,000).

Year.	Agricultural	Pastoral.	Farmyard and Dairying.	All Farming.	Minerals.		Total Primary.
					Gold.	Other, excluding Gold.	
1911 ..	695	455	597	560	973	482	558
1912 ..	652	537	664	597	973	525	595
1913 ..	641	524	633	581	973	523	580
1914 ..	1,083	591	680	774	973	514	754
1915 ..	753	784	836	782	973	578	767
1916 ..	728	879	881	827	973	674	816
1917 ..	848	960	860	906	973	846	901
1918 ..	1,008	963	950	976	973	832	964
1919-20 ..	1,489	1,010	1,144	1,196	1,170	861	1,167
1920-21 ..	1,285	949	1,452	1,145	1,289	919	1,127
1921-22 ..	981	666	1,008	829	1,215	912	840
1922-23 ..	1,025	880	1,070	960	1,075	905	957
1923-24 ..	902	1,117	1,023	1,028	1,014	931	1,020
1924-25 ..	1,050	1,101	901	1,052	1,066	1,020	1,049
1925-26 ..	1,095	902	1,026	988	973	1,041	992
1926-27 ..	976	866	1,024	929	973	1,044	939
1927-28 ..	977	1,015	1,025	1,004	973	964	1,000
1928-29 ..	884	893	1,043	914	973	933	916
1929-30 ..	829	724	990	803	973	902	813
1930-31 ..	574	571	792	608	973	852	632
1931-32 ..	634	491	712	575	1,372	692	593
1932-33 ..	600	480	636	546	1,672	640	566
1933-34 ..	597	715	625	660	1,768	638	670
1934-35 ..	662	532	674	599	1,948	643	617
1935-36 ..	710	685	742	702	2,006	686	715
1936-37 ..	840	765	794	795	1,984	742	803
1937-38 ..	751	705	865	747	1,990	820	766
1938-39 ..	677	608	905	680	2,019	705	696
1939-40 ..	675	707	911	729	2,228	736	745
1940-41 ..	759	752	876	775	2,442	813	795
1941-42 ..	770	808	919	813	2,448	889	836
1942-43 ..	859	894	1,006	900	2,395	944	919

PRIMARY PRODUCTION : INDEX-NUMBERS OF QUANTITY PRODUCTION,
AVERAGE 1923-24 TO 1927-28 AS BASE (=1,000).

Year.	Agricultural.	Pastoral.	Farmyard and Dairying.	All Farming.	Minerals.		Total Primary.
					Gold.	Other, excluding Gold.	
1911 ..	611	938	742	794	4,172	1,176	862
1912 ..	775	859	721	808	3,906	1,265	879
1913 ..	807	970	743	878	3,707	1,332	946
1914 ..	359	948	720	709	3,451	1,172	777
1915 ..	1,199	768	570	884	3,270	1,075	925
1916 ..	971	742	701	814	2,798	962	847
1917 ..	805	750	814	779	2,446	936	810
1918 ..	635	849	796	767	2,138	1,000	801
1919-20 ..	527	938	737	765	1,794	717	771
1920-21 ..	1,046	763	809	868	1,585	785	868
1921-22 ..	944	877	955	913	1,273	783	906
1922-23 ..	896	934	872	911	1,269	873	912
1923-24 ..	971	837	886	891	1,196	974	901
1924-25 ..	1,151	977	1,091	1,055	1,135	1,003	1,052
1925-26 ..	880	1,033	1,009	976	939	1,008	979
1926-27 ..	1,090	1,093	971	1,072	876	991	1,063
1927-28 ..	908	1,060	1,043	1,005	854	1,025	1,005
1928-29 ..	1,093	1,133	1,068	1,109	769	899	1,087
1929-30 ..	952	1,067	1,071	1,028	717	852	1,010
1930-31 ..	1,346	1,035	1,175	1,164	784	810	1,130
1931-32 ..	1,211	1,129	1,265	1,179	1,000	665	1,134
1932-33 ..	1,334	1,212	1,350	1,276	1,199	774	1,233
1933-34 ..	1,228	1,160	1,423	1,226	1,394	828	1,194
1934-35 ..	1,066	1,200	1,485	1,200	1,489	883	1,176
1935-36 ..	1,096	1,166	1,415	1,182	1,529	984	1,169
1936-37 ..	1,158	1,206	1,359	1,214	1,981	1,050	1,209
1937-38 ..	1,313	1,260	1,432	1,306	2,320	1,130	1,302
1938-39 ..	1,154	1,211	1,497	1,237	2,674	1,173	1,247
1939-40 ..	1,495	1,322	1,554	1,419	2,764	1,283	1,421
1940-41 ..	824	1,336	1,516	1,189	2,761	1,256	1,212
1941-42 ..	1,276	1,379	1,540	1,370	2,514	1,312	1,377
1942-43 ..	1,197	1,378	1,576	1,348	1,938	1,290	1,349

§ 11. Consumption of Commodities.

1. *Australia.*—The movement in the consumption of commodities is of special interest, indicating, as it does, the presence or absence of a number of important factors in the communal life of Australia. These factors include such items as changes in diet, variations in supply and demand, in purchasing power and in population. It is not possible to measure the influence of each of these changes, but their net effect on consumption is revealed in the figures given.

Increases in the actual quantities consumed, while indicating a greater consumptive capacity for Australia as a whole, do not indicate the trends in consumption. These are recorded in the *per capita* figures. The most pronounced changes over a series of years have taken place in motor spirit, barley, butter, meat, biscuits, flour, maize, potatoes, tea, beer, and spirits. With the development of motor transport the consumption of motor spirit has risen from 2 to almost 50 gallons per head of population between 1913 and 1941. Butter and barley have been consumed in larger quantities during each of the periods shown in the table. The consumption of meat has increased since the war years of 1914-19.

Commodities showing trends in the opposite direction were: biscuits, flour, maize, potatoes, tea, beer and spirits. It should be remembered, however, that the figures for the five years ended 1935-36 were seriously affected by the economic depression and the consequent rise in unemployment, while the figures for the five years ended 1940-41 were affected by the change due to the war.

The following tables furnish a comparison over a long series of years of the average annual total and *per capita* quantities available for consumption in Australia. The data have been compiled by adding to production the excess of imports or subtracting the excess of exports as the case may be. Allowance should be made for stocks at the commencement and at the end of each period, but this was possible only in respect of wheat and flour. In consequence, the figures given for the remaining commodities are somewhat incomplete, but any discrepancy occasioned by this omission is minimized by ranging the consumption over periods of five to seven years.

A few brief notes on some features of the more important commodities are given below:—

Cereals.—The quantities shown for cereals represent the amounts available for human consumption as such or in some other consumable form. In addition, they include those quantities consumed by live stock, of which separate details are not available. These quantities, together with the amount required for seed purposes, give the total requirements of Australia.

Root Crops.—In arriving at the total quantity available for consumption the output of holdings of less than one acre has been excluded.

Dairy Produce.—The quantities of fresh milk consumed by the people of Australia cannot be determined accurately, and the figures are no more than estimates obtained from the best available sources. The quantities of butter and cheese consumed include those produced on farms.

Meats.—The accuracy of the figures of meat consumption depends upon the reliability of the average weights applied to the dressed carcasses. These are most difficult to obtain for the whole of Australia and the figures have been compiled from the most reliable estimates available.

Drink and Tobacco.—The quantities used in these compilations were those on which excise was paid and those cleared from bond.

Sugar.—In determining the consumption of sugar, allowance has been made for the estimated sugar contents of goods exported; these include canned fruit, condensed milk, jam, etc. The quantities shown, therefore, represent those actually available for consumption in Australia.

Flour.—The quantities of flour available for consumption include the amounts consumed in bread, cakes, pastry and biscuits; the quantities used by factories in other manufacturing processes are also included.

CONSUMPTION OF COMMODITIES: ESTIMATE OF ANNUAL REQUIREMENTS, AUSTRALIA.

Commodity.	Unit of Quantity.	Seven years ended 1920-21.	Five years ended—			
			1925-26.	1930-31.	1935-36.	1940-41.
Cereals—						
Barley	'ooo bush.	3,132	3,364	4,343	4,351	6,344
" seed requirements	" "	336	410	499	644	1,093
Maize	" "	8,324	9,741	8,645	6,961	7,235
" seed requirements	" "	89	90	89	86	100
Oats	" "	9,271	10,772	9,526	10,927	10,194
" seed requirements	" "	3,311	4,217	4,471	5,536	5,984
Rice clean	'ooo cwt.	245	343	335	298	279
" (paddy), seed requirements .. .. .	" "	.. .. .	.. .. .	9	12	13
Wheat	'ooo bush.	31,903	34,258	39,767	37,222	39,061
" seed requirements	" "	10,387	11,752	16,158	14,210	14,179
Root Crops—						
Onions	Ton	32,058	30,928	42,067	38,729	39,733
Potatoes	" "	283,644	311,866	314,236	292,129	328,125
" seed requirements	" "	45,936	48,645	49,451	48,153	39,898
Other Crops—						
Dried grapes .. .. .	" "	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .
Raisins	" "	7,039	9,282	11,363	12,307	17,687
Currants	" "	4,096	4,195	4,308	4,137	5,159
Sugar, raw	" "	266,242	303,010	345,942	338,471	384,161
" refined	" "	254,261	289,375	330,375	323,240	366,874
Dairy Produce—						
Butter	'ooo lb.	126,484	161,750	187,372	203,188	225,386
Cheese	" "	17,855	21,320	25,192	25,375	28,552
Milk	'ooo gal.	100,162	128,754	140,645	150,212	164,771
Meats—						
Beef	'ooo lb.	558,487	769,638	742,577	746,162	949,201
Mutton	" "	353,727	359,198	389,989	443,342	423,032
Lamb .. .. .	" "	.. .. .	.. .. .	68,202	92,940	92,577
Pork	" "	20,911	30,006	41,247	54,574	51,548
Bacon and ham	" "	52,483	64,652	75,449	69,885	73,369
<i>Total Meats</i>	" "	<i>985,608</i>	<i>1,223,494</i>	<i>1,317,464</i>	<i>1,406,903</i>	<i>1,589,727</i>
Drink and Tobacco—						
Beer	'ooo gal.	63,196	64,823	66,358	54,646	84,003
Spirits (potable)	" "	2,752	2,361	2,168	1,275	1,562
Tobacco	'ooo lb.	14,957	18,699	20,230	18,933	25,627
Other Foodstuffs—						
Biscuits	" "	87,311	76,291	69,951	53,882	71,923
Coffee	" "	2,671	3,197	3,301	3,834	5,533
Fish, fresh	" "	(a)	51,104	65,790	67,545	72,905
" preserved in tins	" "	15,695	22,588	23,957	20,176	25,023
Flour, wheaten	Ton	559,442	604,239	641,968	673,800	646,180
Fruit, Canned	" "	(a)	(a)	(a)	(a)	77,807
Jam	'ooo lb.	71,451	61,264	76,687	76,405	84,012
Margarine	" "	(a)	(a)	24,255	22,209	35,608
Milk, Condensed and concentrated	'ooo lb.	(a)	26,274	24,763	23,627	25,247
" Powdered	" "	(a)	8,656	9,913	10,376	20,190
Oatmeal	'ooo cwt.	(a)	296	301	270	283
Sago and tapioca	'ooo lb.	9,047	9,961	8,070	8,347	8,869
Tea	" "	40,323	44,608	47,593	45,427	48,050
Other Commodities—						
Soap	'ooo cwt.	689	781	915	868	954
Kerosene	'ooo gal.	20,489	25,873	50,525	41,361	53,758
Motor spirit	" "	20,929	75,557	206,196	225,688	341,708
Cement—portland	Ton	(a)	(b) 520,622	651,618	437,309	836,755

(a) Not available.

(b) Average for four years ended 1925-26.

CONSUMPTION OF COMMODITIES: ESTIMATE OF ANNUAL REQUIREMENTS PER HEAD OF POPULATION, AUSTRALIA.

Commodity.	Seven years ended 1920-21.	Five Years ended—			
		1925-26.	1930-31.	1935-36.	1940-41.
	lb.	lb.	lb.	lb.	lb.
Barley	30.76	29.25	34.28	32.50	45.84
„ seed requirements	3.29	3.56	3.94	5.00	7.89
Maize	91.55	94.84	76.43	58.80	58.55
„ seed requirements..	0.98	0.88	0.79	0.56	0.81
Oats	72.83	74.92	60.16	65.60	58.92
„ seed requirements ..	20.01	29.33	28.23	33.20	34.62
Rice (clean)	5.44	6.68	5.93	5.02	4.52
„ (paddy), seed requirements .. ..	..	..	0.17	0.21	0.22
Wheat	375.93	357.00	376.80	335.40	338.40
„ seed requirements	122.39	122.40	153.00	128.40	123.00
Onions	14.13	12.04	14.88	13.04	12.86
Potatoes	124.78	121.46	111.13	98.35	106.22
„ seed requirements	20.25	18.95	17.49	16.21	12.92
Dried grapes—Raisins ..	3.09	3.61	4.02	4.14	5.72
Currants	1.80	1.64	1.52	1.39	1.67
Sugar, raw	117.13	118.01	122.34	113.96	124.35
„ refined	111.86	112.70	116.84	108.83	118.76
Butter	24.84	28.12	29.58	30.54	32.57
Cheese	3.51	3.71	3.98	3.81	4.13
Beef	109.68	133.81	117.24	112.15	137.17
Mutton	} 69.47	} 62.45	} 61.57	} 66.64	} 61.13
Lamb					
Pork	4.11	5.22	6.50	8.20	7.45
Bacon and ham	10.31	11.24	11.91	10.50	10.60
<i>Total Meats</i>	<i>193.57</i>	<i>212.72</i>	<i>207.99</i>	<i>211.46</i>	<i>230.13</i>
Tobacco	2.94	3.25	3.19	2.84	3.70
Biscuits	17.15	13.26	11.04	8.10	10.39
Coffee	0.52	0.56	0.52	0.58	0.80
Fish, fresh	(a)	8.88	10.39	10.15	10.54
„ preserved in tins ..	3.08	3.93	3.78	3.03	3.62
Flour, wheaten	219.74	210.11	202.70	202.55	186.76
Fruit, Canned	(a)	(a)	(a)	(a)	11.24
Jam	14.03	10.66	12.11	11.48	12.14
Margarine	(a)	(a)	3.83	3.34	5.15
Milk, Condensed and Concentrated	(a)	4.57	3.91	3.55	3.65
„ Powdered	(a)	1.50	1.59	1.56	1.92
Oatmeal	(a)	(b) 4.49	5.32	4.55	4.58
Sago and Tapioca	1.78	1.73	1.27	1.25	1.28
Tea	7.92	7.76	7.51	6.83	6.94
Soap	15.16	15.20	16.18	14.62	15.44
Cement—portland	(a)	(b) 196.61	230.44	147.23	270.86
	gal.	gal.	gal.	gal.	gal.
Milk (fluid)	19.67	22.39	22.20	22.58	23.81
Beer	12.41	11.27	10.48	8.23	12.14
Spirits (potable)	0.54	0.41	0.34	0.19	0.23
Kerosene	4.02	4.50	7.98	6.22	7.77
Motor Spirit	4.11	13.10	32.55	33.92	49.38

(a) Not available.

(b) Average for four years ended 1925-26.

2. *International Comparison.*—The difficulties associated with the compilation of statistics of consumption in Australia have already been mentioned, and the absence of corresponding figures for other countries suggests a similar experience abroad. Some details are published in other countries, but these are restricted to a few commodities, and an extensive comparison on an international basis is not possible.

In the absence of complete details of the methods used in their computation, it is not possible to say whether the figures given are comparable in all respects with those shown for Australia. It is known that in some instances the figures relate to a single year, while those for Australia refer to the average over five years. In the following table the figures for Australia are below the normal, as the period taken included some years of the economic depression.

The details given in the following table have been taken from official or other authoritative sources and are the best available. They do not afford a comparison of the standards of living in the various countries, but are intended to present a comparison of more than usual interest.

CONSUMPTION PER HEAD OF POPULATION IN VARIOUS COUNTRIES.

Commodity.	Unit of Quantity.	Average annual consumption per head of population.				
		Australia.	New Zealand.	Canada.	United Kingdom.	U.S.A.
Wheat (excluding seed) ..	Bus.	5.6	5.7	5.5	5.8	4.7
Flour, wheaten	lb.	203	180	166	200	160
Sugar, refined .. ..	..	109	115	96	102	105
Milk, whole	Gal.	22.5	22.5	37.0	21.0	(a)
Butter	lb.	30.5	40.0	31.8	24.8	16.7
Cheese .. ..	..	3.8	8.0	3.6	8.6	5.4
Eggs	Doz.	(a)	20.0	20.8	13.0	(a)
Beef	lb.	112	140	62	69	63
Mutton and lamb ..	..	81	88	6	30	7
Pig Meat .. ..	..	19	21	57	42	55
<i>Total Meats</i> .. ..	..	212	249	125	141	125
Wine	Gal.	0.3	0.2	0.3	0.3	0.4
Beer .. ..	..	8.2	8.6	6.0	33.1	13.0
Spirits (potable) ..	..	0.2	0.3	0.3	0.2	0.9
Tobacco	lb.	2.8	3.5	3.9	3.9	6.6
Tea .. ..	..	6.8	6.7	3.6	9.2	0.7
Coffee .. ..	..	0.6	(a)	3.1	0.7	13.3
Raisins and currants ..	..	5.5	8.4	3.8	5.7	2.2
Rice .. ..	..	5.0	5.3	7.3	5.2	(a)
Onions .. ..	..	13	12	(a)	(a)	(a)
Potatoes .. ..	..	98	108	(a)	241	(a)

(a) Not available.

§ 12. Film Censorship.

1. **Legislation.**—The censorship of imported films derives its authority from Section 52 (g) of the Customs Act, which gives power to prohibit the importation of goods. Under this section regulations have been issued prohibiting the importation of films except under certain conditions and with the consent of the Minister. The regulations provide, *inter alia*, that no film shall be registered which in the opinion of the Censor is (a) blasphemous, indecent or obscene; (b) likely to be injurious to morality, or to encourage or incite to crime; (c) likely to be offensive to the people of any friendly nation; (d) likely to be offensive to the people of the British Empire; or (e) depicts any matter the exhibition of which is undesirable in the public interest.

The regulations governing the exportation of Australian-made films are similar, with the addition that no film may be exported which in the opinion of the Censorship is likely to prove detrimental or prejudicial to the Commonwealth of Australia.

The Censorship consists of a Censorship Board of three persons and an Appeal Censor, the head-quarters being in Sydney. There is also a right of appeal to the Minister.

In addition to the censorship of moving pictures, the Censorship may refuse to admit into Australia any advertising matter proposed to be used in connexion with the exhibition of any film. Such control does not, however, extend to locally-produced publicity.

2. **Imports of Films.**—Imported films dealt with by the Censorship for the year 1943 were as follows:—1,620 films of 3,938,176 feet passed without eliminations, 43 films of 266,062 feet passed after eliminations, and 2 films of 13,420 feet rejected in first instance, making a total of 1,665 films of 4,217,658 feet (one copy). The countries of origin were as follows:—United States of America, 915 films of 2,977,555 feet; United Kingdom, 524 films of 920,264 feet; and 226 films of 319,839 feet from other countries.

The foregoing figures relate to standard size films (35 millimetres). There were also imported during 1943, 629 miniature films (16, 9.5 and 8 millimetres) of 259,421 feet.

3. **Exports of Films.**—The number of films exported for the year 1943 was 644 of 641,581 feet, of which 465 films of 511,512 feet were sent to places in the British Empire including Mandated Territories.

§ 13. Marketing of Australian Commodities.

1. **Introduction.**—Particulars in respect of the various Commonwealth Acts and Regulations together with the operations of the Boards or Councils appointed to assist or control the marketing of Australian commodities are set out below. It should be noted that the particulars refer to the marketing of Australian commodities in the normal times of peace, and that no reference has been made to changes induced since the outbreak of War. A brief summary of the war-time arrangements for the marketing and sale of Australian commodities is included in § 14.

2. **Dairy Produce.**—(i) *The Dairy Produce Export Control Act 1924-1938.* Introduced at the request of the dairying industry this Act was passed by the Commonwealth Parliament with the object of organizing the oversea marketing of Australian dairy produce. A Dairy Produce Control Board was appointed and was in existence from 1924 to 1935. It dealt with matters relating to the organization and supervision of oversea marketing of dairy produce. In the course of its functions the Board regulated shipments to ensure regularity of supply in the London market, controlled forward selling, obtained reductions in oversea freights and insurance rates, and participated in an advertising campaign in the United Kingdom.

Prior to the appointment of the Dairy Produce Control Board a voluntary body—the Australian Dairy Council—was established to advise and make recommendations to the Governments on problems connected with the production, manufacture and quality of dairy produce, pasture improvement and diseases of dairy cattle.

Following a recommendation by the Australian Agricultural Council the functions of these bodies were combined by an amending Act of 1935 under the Australian Dairy Produce Board and provision was made for the allocation of money from the Board's funds for research and investigation into pastures, diseases of dairy cattle and the quality of butter.

(ii) *The Dairy Produce Export Charges Act 1924-1937.* This Act provides for the imposition of a levy on all butter and cheese exported from Australia to cover the administrative expenses of the Board and for advertising and other purposes. The rate of the levy is fixed by regulation.

(iii) *The Dairy Produce Act 1933-1935.* In § 1 par. 3 of Chapter XXIII. "Farmyard, Dairy and Bee Products" reference is made to the voluntary and compulsory plans introduced for the purpose of stabilizing the prices of dairy produce in Australia. Under State legislation regulating authorities fixed the proportion of the States' output to be sold within the respective States, and the Dairy Produce Act was passed by the

Commonwealth Parliament to protect these "quotas" from the effects of interstate competition. A decision of the Privy Council in 1936, however, held that the Commonwealth had no power under its Constitution to control interstate trade and the Commonwealth legislation is therefore inoperative. The industry is now carrying on its stabilization plan on a purely voluntary basis.

3. **Dried Fruits.**—(i) *The Dried Fruits Export Control Act 1924-1938.* This Act was passed by the Commonwealth Parliament at the request of the dried fruits industry to organize the oversea marketing of Australian dried vine fruits. The Dried Fruits Control Board, consisting of eight members—including five growers' representatives, two members with commercial experience and one Government nominee—was appointed to control the export, and the sale and distribution after export, of Australian sultanas, currants and lexias. In conjunction with its London agency, the Board has improved the marketing of Australian dried fruits overseas, and has increased the demand for the product. Its system of appraisal has resulted in more satisfactory realizations. Its methods of ensuring continuity of supply and regulating shipments and its participation in the advertising campaign of the Australian Overseas Trade Publicity Committee have benefited the industry considerably. No dried fruits may be exported except by means of a licence, which is issued subject to conditions recommended by the Board.

(ii) *Dried Fruits Export Charges Act 1924-1929.* This Act provides for the imposition of a levy on all sultanas, currants and lexias exported from Australia for the purpose of defraying the administrative expenses of the Board and the cost of advertising, etc. The rate of the levy is fixed by regulation. Under an amendment made in 1927 provision was made for the exemption of sultanas, currants and lexias from the levy upon recommendation by the Board.

(iii) *The Dried Fruits Act 1928-1935.* In previous issues of the Official Year Book reference has been made to the Dried Fruits Act and its provisions outlined (see p. 894 of Official Year Book, No. 28). This legislation is in a similar position to that for dairy produce referred to in par. 2 (iii) above.

4. **Canned Fruits.**—(i) *The Canned Fruits Export Control Act 1926-1938.* This legislation was introduced at the request of canners and representative organizations of fruit-growers with the object of organizing the oversea marketing of canned fruit. The original Act referred to canned apricots, peaches and pears only, but canned pineapples and canned fruit salads consisting of not less than 75 per cent. of specified fruits were subsequently brought within the scope of the Board's operations. The personnel of the Australian Canned Fruits Board consists of one representative each from proprietary and privately owned canneries, co-operative canneries, State-controlled canneries, pineapple interests and the Commonwealth Government. No canned fruits to which the Act applies are permitted to be exported except under a licence issued in accordance with conditions recommended by the Board. The system of marketing adopted by the Board, including the fixation of minimum selling prices overseas, the appointment of a London agency and the engaging in oversea trade publicity, has resulted in the satisfactory disposal of the annual exportable surplus of canned fruits. The distribution of canned fruits has been widened and the exporting side of the industry placed on a sounder basis through the Board's operations.

(ii) *The Canned Fruits Export Charges Act 1926-1938.* This Act provides for the imposition of a levy on the export of canned fruits to meet the administrative and other commitments of the Board. The rate of the levy is fixed by regulation from time to time. An amendment in 1929 provided for certain exemptions from payment of the levy when recommended accordingly by the Board.

5. **Wine.**—(i) *The Wine Overseas Marketing Act 1929-1936.* This Act was introduced at the request of the viticultural interests in Australia with the object of placing the overseas marketing of Australia's surplus wine on an orderly basis. The Wine Overseas Marketing Board was appointed to supervise the exports, and the sale and distribution after export of Australian wine.

The name of the Board was changed to the Australian Wine Board in 1936. No wine may be exported except by means of a licence, which is issued under conditions recommended to the Minister by the Board; these include the withholding of shipments as directed by the Board. The Board has a London agency which advises on marketing conditions. The methods of marketing adopted by the Board have resulted in the widening of the distribution of Australian wines overseas.

(ii) *The Wine Grapes Charges Act 1929-1937*. This Act provides for the imposition of a levy on all grapes used in Australia for the manufacture of wines or spirit used for fortifying wine. The proceeds of the levy are used to defray the administrative and other expenses of the Board, and provision is made for such exemptions from the levy as the Board may recommend.

6. Meat.—(i) *The Meat Export Control Act 1935-1938*. This Act was introduced following a decision of a conference of Commonwealth and State Ministers with members of the Commonwealth Meat Advisory Committee, held in October, 1935, to set up a Meat Board with defined statutory powers. The Australian Meat Board, which was appointed under the Act in January, 1936, consists of eighteen members, representative of producers, processors, exporters and the Commonwealth Government. Provision is made for the appointment from within the Board of an Executive Committee and a Beef Committee. Export of meat is controlled by licence. The Board has power to regulate shipments of meat and to arrange contracts in respect of freights and insurances; to promote oversea sales by advertising and to foster research into meat problems; and to supervise the issue of export licences. The Board also has power to appoint a London representative.

(ii) *The Meat Export Charges Act 1935*. By means of a levy collected on all meats exported from Australia, funds are provided for the purpose of defraying the expenses and charges incurred by the Australian Meat Board in the course of its business. The customary provision is made for exemption from the levy when recommended by the Board.

7. Apples and Pears.—(i) *The Apple and Pear Organization Act 1938*. This Act which was passed by the Commonwealth Parliament at the request of the Apple and Pear industry, provides for the establishment of an Australian Apple and Pear Board for the purpose of organizing and controlling the export trade in fresh apples and pears.

The Board consists of one member to represent the Commonwealth Government; eleven members to represent the growers of apples and pears on the basis of four from Tasmania, two each from Victoria and Western Australia, and one each from New South Wales, Queensland and South Australia; and four members to represent exporters of apples and pears on the basis of one from each of the States of Victoria, South Australia, Western Australia and Tasmania.

The Board has power to regulate the shipment of apples and pears from Australia by licensing exporters and issuing permits to export. Power is also given to determine export quotas, and to allocate the consignments from each State. The Board may appoint persons to represent it overseas.

(ii) *The Apple and Pear Export Charges Act 1938*. This Act provides for the imposition of a levy on all apples and pears exported from Australia for the purpose of providing the funds necessary to meet the administrative and other expenses of the Board.

(iii) *The Apple and Pear Publicity and Research Act 1938*. Under this Act, the Australian Apple and Pear Board is empowered to expend moneys, specifically collected and appropriated, for the purpose of increasing and extending the consumption of apples and pears throughout Australia by publicity, research or any other means.

The fund for this purpose is to be created from the proceeds of a tax levied on all apples and pears sold for consumption in Australia as fresh fruit. Apples and pears exported or to be exported, or processed or to be processed, are exempt from the tax.

The related taxing measures are:—The Apple and Pear Tax Act 1938 and the Apple and Pear Tax Assessment Act 1938.

8. **Wheat Industry Assistance Act 1938.**—This legislation, which came into operation in December, 1938, supplements legislation of a uniform type passed by all the State Parliaments, and is designed to enable the operation of a home consumption price scheme for the wheat industry on an Australian basis.

The legislation is based on a home consumption price of 5s. 2d. a bushel, free on rail, Williamstown, equivalent to 4s. 8d. at country sidings. When the price of wheat falls below that level the returns of growers will be supplemented by payments from a fund established from the proceeds of a flour tax which varies inversely with the price of wheat. When the export price rises above that level provision is made for a tax on wheat sold, the proceeds of which are to be applied to ensure that the cost of wheat gristed for home consumption shall not exceed 5s. 2d. per bushel.

Out of the general fund a sum not exceeding £500,000 per year will be reserved during the first five years for special purposes including the transfer of producers growing wheat on marginal lands to other areas where they will be able to engage in mixed farming or to enable them to increase the size of their holdings to make wheat-growing worth while.

A Wheat Stabilization Advisory Committee has been established to determine the appropriate times for a variation in the rate of tax which will be fixed on the basis of a rigid formula.

The State legislation undertakes to ensure that prices charged to consumers are reasonable and the Commonwealth legislation contains provision that no State shall be entitled to receive payments where that undertaking is not carried out.

With the acquisition of wheat by the Commonwealth Government after the outbreak of War and the payment direct to them by the Wheat Board, the provision for payment of flour tax to growers was varied by the Wheat Industry (War-time Control) Act, 1939. Flour tax proceeds under this Act are paid into the Commonwealth Bank for repayment of advances made and in this way are incorporated with the receipts of the wheat pools.

9. **Export Guarantee Act.**—For a considerable time this Act has not been invoked directly to provide for assistance in the marketing of primary products. The Dried Fruits Advances Act, disbursements under which were made for the appropriation pursuant to the Export Guarantee Act, has ceased to operate. The Board of Trade, which was formed to advise and recommend on expenditure proposed under the Act, has not functioned for some years. The only recent expenditure under the Act has been in respect of special oversea trade publicity, but since 1st July, 1934, expenditure under that heading has been made the subject of a separate appropriation. The total assistance granted under the Act during its period of operation amounted to £670,574 which included substantial payments on account of both the Dried Fruits Advances Act and oversea trade publicity. Although the Export Guarantee Act has not been repealed, it is not proposed that any further payments shall be made under it.

§ 14. War-time Marketing of Primary Products.

1. **General.**—Prior to the outbreak of the present War an understanding had been reached by the Governments of the United Kingdom and the Commonwealth which enabled exports from Australia to proceed normally even before any contracts for the sale of commodities had been concluded.

On the outbreak of hostilities, the existence of Statutory Boards for the meat, dairy produce and fruit industries facilitated war-time organization. The experience already gained in marketing control enabled the Commonwealth Government to proceed quickly with the formation of committees and/or boards in those industries where Statutory Boards or organizations had not been established previously, namely, the Central Wool Committee, the Australian Wheat Board, the Australian Barley Board, the Apple and Pear Marketing Committee, the Australian Hide and Leather Industries Board, the Shipping Control Board, and a Committee to supervise the export of eggs.

In addition to the organizations established in respect of these commodities, a Shipping Control Board was set up to control coastal shipping should the need arise for close supervision and control of cargo movements in interstate trade. At a later stage, a Shipping Committee was established to control and supervise oversea shipping to and from Australia in conjunction with the Ministry of Shipping in the United Kingdom.

Prior to the outbreak of War, a survey was made of refrigerated and cold storage space in Australia. Thus the handling of refrigerated produce up to the time of shipment was not only facilitated, but the survey was also of material assistance in connexion with the arrangements made subsequently for the transport of commodities to the United Kingdom.

2. **Wool.**—The Government of the United Kingdom has arranged with the Commonwealth Government to acquire the Australian wool clip for the duration of the War and one full wool season after the cessation of hostilities.

The arrangement embraces all wool, wool tops, noils and waste, not required for use by Australian manufacturers.

The principal conditions of the arrangement are :—

- (i) The United Kingdom Government will pay 10½d. (Stg.) equivalent to 13.4375d. (Aust.) per lb. flat rate price for the wool in store at the oversea port of shipment.
- (ii) The United Kingdom Government will pay up to ¾d. (Stg.) equivalent to ¾d. (Aust.) per lb. to cover all costs from store at port of oversea shipment, to ship.
- (iii) The United Kingdom Government will pay to the Commonwealth Government 50 per cent. of the profits derived from wool sold for use outside the United Kingdom, which sales shall be at the order and disposition of the United Kingdom Government.
- (iv) In May of each year the arrangement shall be subject to review at the instance of either Government.

In May, 1942, the flat rate price payable by the United Kingdom Government was reviewed at the instance of the Commonwealth Government. The United Kingdom Government agreed to an increase of 15 per cent. in the flat rate price, thus bringing such price to 15.453125d. (Aust.) per lb.

In Australia the scheme is administered by the Central Wool Committee (with subordinate State Committees) which controls the receipt of the wool into store, its appraisal and shipment overseas. The Central Wool Committee cables to the United Kingdom Government the appraised value of the wool comprised in each round of appraisements and the United Kingdom Government makes the necessary funds available to the Committee. These are paid to the respective growers within fourteen days of appraisal, less a percentage retained by the Central Wool Committee to enable each grower's return to be adjusted in conformity with the flat rate price paid by the United Kingdom Government. During the first season (1939-40) of operation of the scheme the amount so retained was 10 per cent. but for the 1940-41 and subsequent clips up to and including the 1943-44 clip only 5 per cent. was retained.

During the 1939-40 season the issue price of wool for Australian manufacturers was the "appraised price". From 1st July, 1940 (1940-41 season) the issue price was fixed by the Central Wool Committee at the "appraised price", plus cost of delivery plus 7½ per cent., and for the 1941-42 season the surcharge of 7½ per cent. was increased to 15 per cent.

From 1st July, 1942, the price to manufacturers was fixed by the Central Wool Committee according to a determination notified to it by the Commonwealth Prices Commissioner, who determined that the surcharge shall be 10 per cent.

3. **Meat.**—From 1st October, 1939, to 30th September, 1940, the United Kingdom Government agreed to purchase f.o.b. 240,000 tons of beef, mutton, lamb, veal and pork, and to use its best endeavours to lift any additional quantities available for export. The contract embodies a long range of prices for various cuts, pieces and offals. The returns

to Australian producers were satisfactory and were higher than those received during the previous season. Under the contract 90 per cent. is paid on shipment and 10 per cent. within 28 days of arrival, or in the case of a steamer being lost, the estimated due date of arrival.

The contract was renewed for the year 1st October, 1940, to 30th September, 1941, and covered beef, veal, mutton, lamb, porker pork and offals and baconer pork. Under this contract certain classes of meat were not accepted and there were slight variations in some prices.

Arrangements have been made with the United Kingdom Government for the disposal of a larger proportion of Australia's meat surplus in the form of canned meats. Although this means that producers received lower prices for their total marketed product, the scheme has made it possible for the stability of the industry to be maintained in the face of a drastic reduction in the amount of refrigerated shipping space available.

During 1942, mainly owing to shipping difficulties, there was considerable doubt whether the United Kingdom could lift all meat available, but early in 1943 the shipping position became easier, and the United Kingdom asked for as much meat as Australia could supply.

However, owing to the greatly increased demands for meat for the Australian and Allied Services, which became apparent early in 1943, the "surplus" available for export was less than during pre-war years despite efforts to increase production and the increased production which resulted.

During the later months of 1943, the Commonwealth Government took steps to restrict the quantity of meat available to civilians in an endeavour to increase the quantity of meat available for export. When this action was taken, it became necessary for the Commonwealth Government to purchase mutton for export at prices more closely related to local prices.

In January, 1944, in order to ensure an equitable distribution of available supplies to civilians, coupon rationing of meat was introduced.

The United Kingdom Government is prepared to take all suitable meat which can be shipped during 1944. Owing to the heavy demands for meat for the defence forces based in Australia, the export programme for 1944, despite a high level of production and civilian meat rationing is, however, still lower than during the immediate pre-war years.

As in 1943, the programme for export to the United Kingdom covers frozen and canned meats, dehydrated mutton and offals, the greatest demand being for frozen meat.

4. Butter.—The following table indicates the periods covered, target figures, actual exports, and prices per cwt. f.o.b. Australian currency for the various grades, including whey butter.

The conditions of sale provided for payment of 90 per cent. on shipment, and the balance 28 days after arrival or due date of arrival.

For the year 1941-42, second, pastry and all whey butters were excluded; moreover the butter target was reduced to 57,000 tons to permit of diversion to cheese production at the request of the United Kingdom Government.

Prices were increased as from 1st July, 1942, by amounts shown in the table. Also second grade butter was re-included, and the Ministry sought 10,000 tons of dry butterfat at the following prices per cwt. f.o.b. Australian currency:—Grade 1, 195s. 7½d.; Grade 2, 181s. 3d. Actually 2,203 tons of dry butterfat were exported during that period.

Pastry and whey butters were re-included as from 1st July, 1943.

While the 1943-44 prices were the same as those applying for 1942-43, the United Kingdom Government agreed additionally to reimburse the Commonwealth Government to the extent of subsidy paid on butter and cheese exported on Ministry account during the year ended 31st March, 1944.

Negotiations are proceeding between the United Kingdom, New Zealand and the Commonwealth Governments with a view to the United Kingdom contracting to purchase the butter and cheese export surpluses of Australia and New Zealand at firm prices up to the year ending 30th June, 1948.

BUTTER.

Period.	Target.	Actual.	Prices per Cwt.			F.o.b. Australian Currency.						
			Choice.	1st.	2nd.	Pastry.	Whey, 1st.	Whey, 2nd.	Whey Pastry.			
	Tons.	Tons.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.			
20th November, 1939 to 30th June, 1940	75,000	66,882	} 137 2½	} 135 7½	} 131 1½	127 6	127 6	122 6	117 6			
1940-41 ..	100,000	77,843				142 9½	141 3	136 9½	127 6	127 6	122 6	117 6
1941-42 ..	57,000	46,847				142 9½	141 3	136 9½	133 1½	133 1½	128 1½	123 1½
1942-43 ..	70,000	48,911										
1943-44 ..	55,000	..										

(a) The United Kingdom Government asked for minimum of 55,000 tons. Australia indicated that it could supply maximum of 45,000 tons only.

The Dairy Produce Control Committee was appointed to manage the contracts for butter and cheese. The Committee works in close collaboration with the Australian Dairy Produce Board and the Commonwealth Dairy Produce Equalization Committee, Ltd., and has associated with it the State Advisory Committees.

Arrangements were made by the Committee for advances to be made in respect of butter and cheese held for shipment against the contracts and also for the insurance against war risk during such storage.

Early in 1941 the question of the adequacy of cold storage accommodation arose, and the Committee arranged for the provision of emergency cold stores at selected points, the cost being borne by the Government and the industry in equal shares.

5. Cheese.—The following table indicates the periods covered, target figures, actual exports and prices per cwt. f.o.b. Australian currency for the various grades.

Conditions for payment were on the same terms as for butter.

For the year 1941-42, the United Kingdom sought diversion from butter to cheese production, and undertook to purchase maximum quantities, with a minimum of 40,000 tons, at increased prices, as shown in the table.

Prices were increased further for the year 1942-43 as shown.

As in the case of butter the United Kingdom Government has agreed to reimburse the Commonwealth Government for subsidy paid on cheese exports since 1st April, 1943.

Moreover, cheese is included in the proposed Long-term Contract extending up to 30th June, 1948.

CHEESE.

Period.	Target.	Actual.	Prices per Cwt. f.o.b. Australian Currency.					
			Choicest, First.	Second.	Third.			
	Tons.	Tons.	s. d.	s. d.	s. d.			
20th November, 1939, to 30th June, 1940	13,000	11,063	} 76 6½	74 0½	71 6½	
1940-41	20,000	10,118		83 9	78 9	
1941-42	40,000	6,569		} 87 6	85 0	82 6
1942-43	10,000	6,067				
1943-44	10,000	..				

The arrangements in relation to cheese were controlled by the Dairy Produce Control Committee (see par. 4 above).

When the United Kingdom authorities in 1941 desired greatly increased supplies of cheese, the Committee took action to convert butter-making establishments to cheese-making, the financial burden being thus distributed over the industry.

6. **Eggs.**—The United Kingdom Government contracted to purchase eggs packed for export up to 31st December, 1939. The quantity mentioned in the agreement was 900,000 long hundreds, but subject to freight being available, the United Kingdom Government agreed to accept any additional quantity available for export on the same terms as those specified in the agreement. The prices in Australian currency f.o.b. Australian port, were: 13½-lb. packs 9s. 10.83d.; 15-lb. and 16-lb. packs 12s. 2.87d.; and 17-lb. and 18-lb. packs 12s. 425d. On shipment, 85 per cent. was paid, and 15 per cent. within 28 days after arrival.

A further contract covering eggs shipped between 1st July, 1940, and 31st December 1940, was made at prices which represented an increase of 1s. 3d. (Aust.) per long hundred for each pack over prices in the previous contract. In addition, the terms of payment were improved to 90 per cent. on shipment instead of the previous 85 per cent.

Negotiations for the extension of the contract to cover eggs available for shipment during the months of January and February, 1941, were successfully concluded.

Early in 1941, however, the United Kingdom Government advised that refrigerated shipping space would not be available for the export of eggs in shell, and the Commonwealth Government was asked that all surplus eggs over and above Australian requirements should be processed into dried egg powder. This process had not previously been carried out in Australia, and a number of egg drying plants were obtained from abroad and installed in New South Wales and Victoria in time for operation during the 1941-42 season. Subsequently an additional plant was obtained from abroad and installed in Western Australia early in the 1942-43 season. At the same time a modern egg drying plant was wholly manufactured in Australia, and is now operating satisfactorily in South Australia. Consignments of egg powder were shipped from Australia to the United Kingdom during the 1941-42 and 1942-43 seasons, and were very favourably commented upon. Since then, however, it has not been possible to ship egg powder from Australia to the United Kingdom owing to the heavy demand for this commodity by the Allied Fighting Services located in the Pacific area.

7. **Sugar.**—Arrangements were concluded by the Queensland Government for the sale to the British Ministry of Food of the surplus production of raw sugar *ex* the 1942 crop at £13 15s., sterling per ton c.i.f. United Kingdom ports, basis 96 degrees polarization, which price includes the existing British tariff preference of £3 15s. on Dominion sugar. It was arranged that shipments of sugar would be made to Empire and Allied consuming countries (including New Zealand and Canada) in accordance with the requirements of the Ministry of Food, as and when sugar and suitable freight were available.

8. **Canned Fruits.**—The United Kingdom Government agreed to take a quantity of canned apricots, peaches and pears from the 1940 season's pack. The prices payable under the purchase were fixed on f.o.b. basis Australian ports.

The terms of the contract provided that, in respect of quantities shipped prior to the conclusion of the negotiations, 90 per cent. of the value of the fruit, together with freight and other charges paid in Australia, became payable upon arrival in the United Kingdom and the balance of 10 per cent. within 28 days. For subsequent shipments, 90 per cent. of the purchase value was payable at the time of export and the remainder within 28 days after arrival at the port of destination.

A further arrangement was concluded with the United Kingdom Government under which the British Ministry of Food agreed to take over the exportable surplus of the 1941 season's pack. Under the contract for 1941, canners received payment of 100 per cent. of the agreed prices on shipment of the fruit from Australia.

Service demands took most of the 1942 and 1943 seasons' packs, leaving only limited quantity for the civilian consumption.

Australian and Allied (S.W.P.A.) Service and ancillary Service demands on the 1944 season's pack were such that supplies could not be made available for general commercial export.

Some quantities were provided for New Zealand's Service and Civilian requirements, and for War Office demands in India and the Middle East.

Supplies were allocated for the Australian domestic market on quota basis, but although stocks made available were below normal market requirements, they were reasonable having regard to all other demands made against production.

9. Apples and Pears.—To meet the emergency conditions which confronted the apple and pear industry following the outbreak of War, the Commonwealth Government promulgated the National Security (Apple and Pear Acquisition) Regulations on 14th November, 1939, to provide for the acquisition and orderly marketing of the 1940 crop. A Marketing Committee of the Australian Apple and Pear Board was appointed to supervise the whole of the marketing arrangements and State Committees were set up to assist in the administration of the Scheme.

All growers occupying orchards of which not less than one acre was wholly or principally used for the growing of apples and/or pears were required to register under the regulations and to furnish particulars of their plantings and production. The registration of other persons growing apples or pears was not compulsory.

Until 1st March, 1940, the marketing of the crop proceeded in the usual manner but from that date the Commonwealth acquired all apples and pears in Australia, subject to minor exemptions, and the sale of any apples or pears not grown by a registered grower was prohibited.

Advances were made to the growers in respect of compensation payments at the rates of 2s. a bushel on apples and 3s. a bushel on pears on the basis of 75 per cent. of their estimated production which was determined by an official assessment of the individual crops. In addition growers received a further advance of 1s. a bushel on apples and pears of prescribed quality delivered to places or to agents of the Board. All advances in respect of compensation were on the basis of bare fruit, the costs of cases and packing, freight, storage and all marketing expenses being met by the marketing authority.

Agents have been appointed throughout Australia to receive and deal with apples and pears as directed, and a system of distribution devised to meet the particular needs of the domestic market in each State. Insofar as freight has been available, overseas shipments have been directed from those States having the largest quantities available for export.

The Acquisition Scheme was continued for the 1941 season, but an Australian Apple and Pear Marketing Board was constituted under the Regulations to administer the Scheme. The Board consisted of a Chairman, a Deputy Chairman, and six other members respectively representing each of the six States. The Chairman and Deputy Chairman constituted a full time Executive of the Board. State Committees, on lines similar to those of the previous year, were also set up to assist in the administration of the Scheme.

The acquisition arrangements for 1941 differed in several important respects from those of 1940:—(i) Acquisition was effected on 1st January, instead of 1st March; (ii) Instead of making advances to growers at flat rates, a unit system was adopted which provided for differential rates as between States, and as between varieties of apples and pears produced in each State; and (iii) Fruit had to be actually delivered to the Board before qualifying for advances, except where delivery was not required for marketing. In these cases qualifications for advances were established on the basis of an official tree measurement at the time of maturity.

The administration and marketing arrangements were, in general, along lines similar to those of 1940.

The Australian apple and pear crop was again acquired by the Commonwealth for the 1942 season, but certain administrative changes were made and the Australian Apple and Pear Marketing Board was reconstituted to comprise four members—A Chairman,

a Deputy Chairman, an Executive Member and a Government Finance Member. State Committees continued to function, but the Executive Committee of the Board was discontinued.

In 1943 the Government took action to acquire the apple and pear crops in Western Australia and Tasmania, only, and the operations of the Board were concerned with the marketing of the fruit from those States only. In all the other States the growers were not subject to any control by the Board, and were free to dispose of their fruit through the normal channels of distribution.

10. **Wheat and Flour.**—The Australian Wheat Board was established at the outbreak of war to control the handling and marketing of wheat. The price of wheat for local requirements is determined by the Board. Free movement of wheat within Australia has been stopped and deliveries of wheat must be made to licensed receivers who are the receiving and distributing agents of the Board and by whom sales are made to the usual retailers. The Board has an Australian Selling Committee in London which negotiates sales of wheat and flour in the United Kingdom, and other markets.

The Commonwealth acquired 1938–39 crop wheat still in Australia, and has acquired each war-time crop. A Pool is created for each season, and payments made to growers. Advances are made in anticipation of sales under guarantee by the Government.

In 1940, a Wheat Industry Stabilization Plan was introduced under which wheat farms were registered, and growers licensed. The acreage sown was controlled and a guaranteed payment of 3s. 10d. a bushel f.o.b. for bagged wheat assured. This applied to the 1941–42 crop.

For later crops a Quota Plan based on payment of 4s. a bushel bagged basis for the first 3,000 bushels produced by a grower was introduced, but other features of the stabilization plan were not altered. Non-quota wheat receives the Pool return.

11. **Barley.**—The outbreak of War came a few weeks prior to the commencement of harvesting operations for the new barley crop, the estimates for which indicated that production would be on a higher scale than in former years.

An Australian Barley Board, representative of the industry, was formed with head-quarters at Adelaide, and the Commonwealth Government acceded to its request to acquire the entire barley crop, which was placed under the control of the Board. A pool was established from which proceeds were distributed with appropriate margins for different grades of barley.

The Board is responsible for the marketing and storage of barley, and, like the Australian Wheat Board, has appointed its licensed receivers in all States to receive grain on its behalf and to act as agents for all local and oversea sales.

The Commonwealth decided not to acquire barley in the smaller producing States after 1941–42, but control was kept by the Board in South Australia and Victoria. Western Australia and Queensland then established State Barley Boards to control marketing in these States.

The 1939–40 crop was a record one of 15,600,000 bushels, but the 1940–41 crop, because of drought, was below normal. Barley of the first two pools has all been sold, and satisfactory payments have been made to growers.

The 1941–42 crop was over 18,000,000 bushels exceeding the previous record crop of 1939–40, but in 1942–43, the crop fell to 8,278,000 bushels.

12. **Potatoes.**—The Australian Potato Committee was set up under National Security (Potatoes) Regulations on 27th April, 1942, the purpose being to ensure that adequate supplies of potatoes would be available in Australia to meet the needs of the Defence Forces and the civilian population during the war.

Very heavy crops and extremely low prices in 1940–41 were followed by a 20 per cent. reduction in acreage and poor yields in 1941–42, while the war with Japan resulted in increased demands from the Defence Forces for their rations and stocks.

Planted acreages have been as follows :—

Six years average to—

1940-41	Uncontrolled	..	..	..	118,692 acres
1941-42	„	„	..	..	102,173 acres
1942-43	Controlled by Australian Potato Committee	..	..	}	142,042 acres
1943-44					187,000 acres
1944-45					278,000 acres (Target)

Control became necessary to ensure proper distribution, and fair prices to producers.

There are two aspects of control :—

- (a) Production of the quantity required ;
- (b) Equitable distribution of supplies.

Production has been increased substantially, but increasing demands, combined with seasonal fluctuations, make it necessary to keep the acreage at the maximum attainable.

Distribution control is required because of the mounting demand, the need to meet sudden Defence requirements, need to avoid unnecessary transport, and the need to give, as far as possible, an adequate supply for the civilian population throughout the year. The crop is seasonal, and supplies are regulated on to the market so as to minimize the alternation of over-supply and scarcity, which was usual in peace-time. This cycle of over and under-supply of an essential foodstuff would, under present conditions, become a regular feature without control of the market.

For production price is an important feature. The Committee first assured a reasonable price to growers by giving a guaranteed minimum price, and allowing growers the benefit of the market price where it exceeded the minimum.

The foregoing was altered after one season to a fixed contract price. The guaranteed minimum frequently resulted in the most profitable market, being one to which potatoes should not be sent either because of transport difficulty, cross traffic, or needs of a less profitable market. Under the contract system the price to growers is fixed and supplies are directed according to needs rather than market rates.

Control involves close co-operation with State Departments of Agriculture, which arrange contracts with growers, and supervise grading when crops mature. In marketing existing channels are employed for receiving crops, paying growers and arranging distribution to the public and services.

The Committee functions through an Executive Member, who is the Potato Controller. There are Deputy Potato Controllers in each State who exercise control within the State. They are assisted by Advisory Committees representing Departments of Agriculture, growers, merchants and Commonwealth Departments. Wholesale merchants form a Distribution Committee, and appoint a Distribution Manager who acts under the control of the Deputy Potato Controller. When supplies are plentiful they flow freely through these channels ; when they are scarce supplies are spread evenly by a quota system to merchants.

Supplies from growers are controlled by quotas for delivery which are used to encourage, or discourage, the flow on to the market, as required. This regulates the supply from the field while giving each grower a fair share of the market. The system is used also to ensure that crops in danger of being lost are marketed quickly.

Potatoes are one of the foodstuffs subsidized under the Commonwealth Price Stabilization policy. They are sold retail well below the contract price to growers, and the Committee acts as the medium for carrying into effect the Government policy concerning retail prices of potatoes.

13. **Dried Fruits.**—Contracts were entered into with the United Kingdom Government which provide for the disposal of portion of the exportable surplus of the 1940 pack of dried vine fruits. Advances of 80 per cent. are payable to exporters on shipment and the final payment of 20 per cent. on landing weights after inspection and approval.

The United Kingdom Government also purchased the available surplus of the 1942 pack, but the price was fixed on an f.o.b. basis instead of delivery to warehouse. Although a flat rate was paid by United Kingdom for each kind of fruit, arrangements were made whereby payments to growers were adjusted to ensure a premium on fruit above the basic grade.

In 1943 supplies of dried fruits were allocated amongst the various requirements by the Combined Food Board which includes representatives of the Governments of United States of America, United Kingdom, Canada, Australia, Union of South Africa and New Zealand. The United Kingdom Government again purchased the available surplus on an f.o.b. basis.

Contracts were entered into with the Governments of the United Kingdom and Canada, and also with the Importers of New Zealand for the purchase on an f.o.b. basis of practically the whole of the exportable surplus of the 1944 pack of dried vine fruits.

The quantity sold to each of these countries was in accordance with the allocation made by the Combined Food Board at Washington, United States of America.

14. Hides and Leather.—Late in 1939 it became necessary to introduce a scheme for the control of the marketing of hides and leather and suitable action was taken by Regulations under the National Security Act. The Australian Hide and Leather Industries Board was appointed to administer the scheme.

All cattle hides and yearling and calf skins were to be submitted for appraisalment in accordance with a Table of Limits prepared by the Board. On appraisalment they were acquired by the Board acting on behalf of the Commonwealth and thereupon became the property of the Commonwealth. The owners of the hides and skins immediately prior to acquisition, received compensation at varying rates determined by the Minister from time to time. Hides and skins acquired by the Board are sold on behalf of the Commonwealth. Tanners' purchases of hides are regulated and exports of hides, skins and leather are controlled.

When the scheme commenced, hide export prices were much higher than the domestic appraised prices. About the middle of 1940, however, the oversea market for hides and skins collapsed. The scheme stood the strain of the reversed position. Appraisalment continued as before, the rates of compensation to hide owners were reduced by 25 per cent. for a time and the fund already built up by the Board acted as a cushion for the change-over period.

The export price position later improved and continued to improve to such an extent that, about the end of 1941, the healthy position of the Board's funds enabled compensation to the original owners of hides to be paid at the rate of 110 per cent. of the appraised prices. The exceptionally heavy demand for hides for the production of leather necessary to produce large quantities of military boots has resulted in a demand by Australian tanners for hides which exceeds Australian hide production. A special arrangement was entered into with the New Zealand Government for the purchase of New Zealand hides, and additional quantities have been sought from other sources of supply. The exportation from Australia of leather suitable for the production of military boots is prohibited.

15. Rabbit Skins and Hats.—A marketing control scheme for rabbit skins was introduced under the National Security (Rabbit Skins) Regulations on 10th June, 1940. After the outbreak of War, rabbit skin prices rose sharply owing to the keen demand from overseas. In order that the prices of military and civilian hats in Australia might be kept at reasonable levels and that sufficient skins should be available to Australian hat manufacturers at prices which would enable them to produce hats at those price levels, a scheme of marketing control became necessary.

The Australian Rabbit Skins Board was appointed to administer the scheme. The basis of the scheme is the payment to hat manufacturers of compensation equivalent to the difference between appraised prices in a Table of Limits prepared by the Board, which are based on a Commonwealth Prices Commission determination, and ruling open market prices.

Funds for the payment of such compensation are provided by collections from a levy imposed on the export of rabbit skins under the Rabbit Skins Export Charges Act 1940. Since 1941 rabbit-skin prices have been extraordinarily high. The rate of export levy has fluctuated on a number of occasions according to the state of the Board's finances. In some periods the levy was entirely suspended, whilst the highest rate it has reached has been 18d. per lb. In order that compensation payments should be kept as low as possible, the quantities of rabbit skins, which hat manufacturers may buy at appraised prices, are closely regulated. Investigations into the operations of all Australian hat manufacturing establishments have enabled the Board to do this, although the position has been complicated by the heavy demand for military fur felt hats.

16. **Sheepskins.**—In April, 1940, the United Kingdom Government agreed with the Commonwealth Government to acquire the "exportable surplus" of woolled sheepskins in Australia.

The "exportable surplus" is determined by competition at auction between Australian fellmongers and export packers licensed in terms of their pre-war trade in such product.

The price of the woolled skins is fixed by appraisal under the Sheepskin Table of Limits, which takes into account the following factors:—

- (a) The wool content—the value of which is fixed in relation to the "scoured skin wool" section of the Wool Table of Limits;
- (b) The value of the pelt—which is reviewed quarterly; and
- (c) The cost of fellmongering the skins.

17. **Tobacco.**—The Australian Tobacco Board was constituted under National Security (Australian Tobacco Leaf) Regulations, promulgated on 9th May, 1941, for the purpose of facilitating and regulating the marketing of Australian-grown tobacco leaf. The Board consists of a Commonwealth Government representative as Chairman, five members representing the growers, two members representing tobacco manufacturers, and two members representing the brokers engaged in selling local leaf.

All Australian produced tobacco leaf must be submitted to the Board for appraisal in accordance with the regulations. An Appraisal Committee consisting of a broker's appraiser acting on behalf of the growers, a manufacturer's appraiser, together with a Government Arbitrer, determined the grade and value of the leaf in accordance with an approved table of limits. Appraisements are carried out each season at Brisbane, Melbourne and Perth.

§ 15. The National Safety Council of Australia.

The National Safety Council of Australia was founded in Melbourne in 1927 for the purpose of developing, mainly by means of education safety on the road, at work and in the home, and its activities have developed in other directions wherever the need for reducing the toll of accidents has been shown. In various States it issues by courtesy of the Traffic Authorities a booklet with every motor driver's licence, and conducts continuous propaganda through the press and other sources. It also forms Junior Safety Councils in the schools for developing a safety conscience among children. The children themselves are officers of these Councils and patrol the roads in the neighbourhood of the schools and conduct the scholars across in safety. Posters are available to schools at cost in connexion with Health and Safety lessons in the schools. Small films specially taken are available for children's and home safety instruction.

A "Safe Driving" campaign for individual motor drivers is conducted as well as a "Freedom from Accidents" competition among employee drivers, those completing a year free from any accident for which they are responsible being given a certificate to that effect. An Industrial Service of four posters per month, together with slips for pay envelopes, constitutes a regular service for the dissemination of safety advice, and was supplied to over 100,000 workers in factories last year. Committees deal with specific problems regarding traffic, films, safety in industry, air safety and home dangers. The Air Safety Committee has issued a 32-page booklet "Air Sense" for distribution with "A" pilots' licences through the Civil Aviation Department and has a plan for emergency night landings for aircraft in difficulties.

The Council is supported by a Government Grant, public subscription and sales of service, and is a non-profit organization. Its work is carried on by a small paid staff controlled by committees and governed by an executive. The following committees, whose work is of an entirely honorary nature, are in operation, namely, Traffic, Industrial Safety, Home, Air Safety and Propaganda.

§ 16. League of Nations.

Australia was one of the original signatories of the Treaty of Versailles of 28th June, 1919, under which the League of Nations was established, and thus became a Member of the League and its kindred organizations—the International Labour Organization and later the Permanent Court of International Justice. On 22nd October, 1933, Australia was elected a non-permanent member of the Council of the League of Nations for a period of three years, and was succeeded by New Zealand in September, 1936. South Africa was elected in the place of New Zealand in December, 1939.

The last elections to the Council were held in December, 1939. At that date only two permanent members of the Council remained, namely Great Britain and France.

The course of the war, especially the events of May and June, 1940, brought the political activities of the League practically to a standstill and made the maintenance of the technical sections increasingly difficult. After a period of negotiation, in the course of which the Secretary-General, M. Avenol, resigned, it was decided to transfer some of the technical branches of the League to the Western Hemisphere. Thus, while the Head-quarters of the League nominally remained at Geneva, the International Labour Organization accepted the offer of the Canadian Government to provide accommodation at the McGill University, Montreal, the Economic, Financial and Transit Department of the League moved the greater part of its staff to Princeton, United States of America, and the Permanent Central Opium Board and the Drug Control Service established branches at Washington. The Health and Social Sections of the League, however, have carried on their work from Geneva. As a result of the occupation of Holland by the Germans, the Permanent Court of International Justice was unable to function. The president and registrar of the Court took up their residence in Switzerland.

In a report on the work of the League in 1941–42, the Acting Secretary-General, Mr. Sean Lester, pointed out that the League itself and all its dependent organizations have been kept in existence and are ready at the appropriate moment to take their respective parts in the reconstruction of the world or to serve as the foundations on which the new order can be built.

The Assembly and the Council have met only once since the war began. A special Conference of the International Labour Organization was, however, held in October and November, 1941, and the 26th Session of the International Labour Organization Conference met at Philadelphia on 20th April, 1944. The Honorable J. A. Beasley, M.H.R., and Messrs. H. C. Barnard, M.H.R., P. J. Clarey, M.L.C. and H. C. Condi, attended the Conference as Australian Delegates.

Notices of withdrawal and the occupation of certain countries adversely affected contributions to the League's budget. Budgetary retrenchments have been considerable, reducing the budget by almost two thirds. The Australian Government has continued to support the League financially.

§ 17. War Service Homes.

The operations of the War Service Homes Commission at 30th June, 1943, may be set out briefly as follows:—Applications approved, 44,942; expenditure on provision of homes, purchase of land for future use, etc., £29,969,994; 21,371 houses had been completed; and 34 homes had been enlarged.

In addition, the Commission had purchased on behalf of eligible applicants, 13,003 already existing properties, and had taken over mortgages existing on 3,041 dwelling-houses. Dual assistance had been approved in respect of 38 applications, making the total number of homes provided under the War Service Homes Act, 37,487. Homes are insured under a comprehensive policy, the total insurances in force, including cover notes, amounting to £18,389,559. The total receipts of the Commission to 30th June, 1943, were £31,729,754, of which £12,622,828 was paid to the National Debt Sinking Fund. Arrears of instalments outstanding at the close of the year were £501,663, or 1.83 per cent. of the total instalments due.

In April, 1941, the War Service Homes Act was amended to provide for the granting of assistance to certain classes of eligible persons, and their dependants, in respect of service during the war which commenced in 1939.

§ 18. Daylight Saving.

Daylight saving during summer time was introduced throughout Australia by the Commonwealth Government under the National Security Regulations. Summer time was fixed at one hour in advance of standard time in all States from 2 a.m. on 1st January, 1942, to 2 a.m. on 29th March, 1942, and from 2 a.m. on 27th September, 1942, to 2 a.m. on 28th March, 1943, and in all States, except Western Australia, from 2 a.m. on 3rd October, 1943, to 2 a.m. on 26th March, 1944. At the Premiers' Conference held at Canberra in August, 1944, it was decided that ordinary time should be observed during the 1944-45 summer.

§ 19. Commonwealth Food Control.

1. **General.**—It is convenient to consider Australia's War-time Food Production and Control in two periods or under two phases. Under the first phase come the effects on Australia's agriculture of the Second World War up to the outbreak of hostilities with Japan, while under the second phase we consider the fundamental changes wrought by the entry of Japan into the war.

The main effect of the outbreak of war was to raise problems of surplus production. The onset of the war found Australia reasonably well prepared in this direction and generally speaking the farmer was able to continue production without interruption.

Australia began in 1938 to prepare for food control in the event of war, not only to safeguard her economy, in which exports have always occupied an important place, and to protect primary producers against market collapse, but also to ensure that essential supplies moved quickly to the United Kingdom. Plans were laid then for mass marketing to replace individual enterprise, and understandings were reached that as far as shipping was available, the United Kingdom would take the export surpluses of most of our principal foods.

It is not difficult to understand the acute problems which followed the restriction of shipping space for our exports. Surplus foodstuffs were a worry for two years. The primary producer was supported, but in this general situation little attention was paid to maintaining labour supply in rural industry, providing essential agricultural machinery, etc., and production consequently tended to decline.

In viewing the second phase we again find that Australia was well prepared from some aspects. The possibility of Japan entering the war was considered, and in 1940 the Emergency Supplies Plan was adopted to take care of civilian food supplies in the event of invasion, hostilities on the mainland, and the consequent dislocation of internal transport. Reserve stocks of selected foods were placed in all grocery stores throughout Australia and special Government stores were established in many places for civil or Service use. While it has never been used as an emergency measure the Plan has been most valuable in many ways. It was always a sound precautionary measure and has greatly assisted in ensuring the regular flow of civilian supplies.

Apart from the Emergency Supplies aspects, however, there were the immediate and far-reaching effects of a large increase in the size of Australia's Defence Forces and the arrival of substantial American Forces. These meant that enormously increased supplies were required in Australia itself and in the nearby Islands. At the same time British demands became more urgent than formerly, especially for butter and meat, because of the diversion of American food supplies to Russia. Instead of problems of surplus production, Australia now had to face problems of shortage, and plans were made to maintain and increase production to meet present commitments and to prepare for greater future commitments. Indeed, it was not long before Australia, for the first time in her history, had to face the prospect of restricting her own food consumption in order to share her supplies with other countries.

2. **The Establishment of the Commonwealth Food Control.**—In May, 1943, the Commonwealth Food Control was established under the Minister for Commerce and Agriculture to develop the machinery necessary to cope with the situation and to implement a thoroughgoing food policy. The Secretary of the Department of Commerce and Agriculture, J. F. Murphy, C.M.G., became Controller-General of Food, and he has received special powers under the National Security Act. (S.R. 1943, No. 165.)

3. **Policy and General Organization.**—Overall direction of food policy is now in the hands of Production Executive and the Food Executive of Cabinet. Within the actual food control administration the principal activities are agricultural production, factory production, procurement of food for the Services, and the inspection of factories and foodstuffs, export policy, control and direction of exports, Commerce Act inspection of export goods, and collaboration with the British Food Mission, United States army specialists, and marketing boards.

4. **Agricultural Production.**—Agricultural production is organized through the Director-General of Agriculture and the State Departments of Agriculture. For co-ordination of policy the Australian Agricultural Council functions under the chairmanship of the Minister for Commerce and Agriculture, and the Standing Committee on agriculture works with the Agricultural Council.

The principal forms of responsibility reposed on the Commonwealth Food Control in respect of agricultural production are:—

- (a) Co-operation with the States in the organization of agriculture for the special purpose of war-time production. This is done through the State Departments of Agriculture and the District War Agricultural Committees.
- (b) The organization of man-power for all urgent agricultural purposes.
- (c) The production and use of agricultural machinery of all kinds.
- (d) The direction of production generally, with special emphasis on products in short supply such as vegetables and milk for all purposes.

The special problems of production of various crops and live-stock products involve questions relating to the use of animal foodstuffs, fertilizers and seed, the provision of adequate man-power and machinery, and the general organization of the agricultural industries so that the best will be obtained from the resources available.

5. **Food Processing.**—Food processing factories are numerous and varied in their scope, particularly in New South Wales and Victoria. All the principal branches of food processing, viz., cereal foods, meat products, dairy products, fruit products, vegetable products, are subject to control and direction.

A Division in the Food Control Organization deals with all branches of factory production of food. This Division is responsible for securing from the existing factories the maximum output, by overcoming current obstacles to full production, such as man-power difficulties and delays in securing materials essential to production; rendering technical service and planning future expansions of factories and the establishment of additional factories when the expected future demands so necessitate.

6. **Service Foodstuffs.**—To cope with the enormous demands for Service foodstuffs, a special section has been set up whose activities are confined to the procurement of foodstuffs to meet the demands placed on food control. The section covers demands for the Australian Forces and Ancillary Services, demands for such of the United States Forces as are being supplied from Australia and also to meet certain overseas commitments to the British Ministry of Food, etc.

All problems of production created by Service demands are dealt with in the division of the Food Control Organization relating to agricultural production, factory production, and technology and inspection.

7. **Civilian Foodstuffs.**—The distribution of food for use by the civil population is covered by Food Control in association, where necessary, with the Civilian Requirements Board.

8. **Inspection of Factories.**—The inspection of the output of factories, including the actual inspection of the factories themselves, is a function of the Department of Commerce and Agriculture.

The technological staff of Food Control makes analyses of food products continuously and gives considerable assistance to factories.

9. **Export Policy.**—The consideration of export policy, including the negotiations of Trade Treaties and the conclusion of international arrangements relating to food, is a normal function of the Department of Commerce and Agriculture.

10. **Co-operation with United States Authorities.**—There are many food specialists in Australia with the American Army. They comprise experts in agricultural production, agricultural engineering, and food canning and dehydration. The Food Controller is frequently in contact with the United States Army authorities in regard to the co-operation of these experts for advice on agricultural and factory production.

11. **British Food Mission.**—The British Food Mission in Australia is consulted on all matters concerning the export of food to the United Kingdom.

12. **Marketing Boards.**—All the marketing boards functioning under the Minister for Commerce and Agriculture, e.g., for wheat, dried fruits, canned fruits and dairy produce, work in close association with the Food Control Administration. The organization and functions of these Boards are covered in another section of the Official Year Book.

§ 20. Department of War Organization of Industry.

1. **Creation.**—To give effect to proposals outlined by the Prime Minister in introducing the Ministers of State Bill 1941, five new Departments of State were created under Section 64 of the Commonwealth of Australia Constitution on 26th June, 1941. The establishment of three of these Departments—Aircraft Production, Transport and War Organization of Industry—was the Government's response to evidences of strain in the national economy, following the superimposition upon normal civilian activities of a rapid expansion of production for war, and an equally rapid diversion of man-power from industry to the Armed Forces.

2. **Economic Background.**—Already, various Departments, acting either independently or in co-operation, had taken measures as occasion demanded, to ensure uninterrupted progress of programmes of war production, to safeguard the country's financial structure, or to conserve vital materials. The restrictions and controls implemented by them, however, could cover only limited and immediately related fields. The situation demanded an agency which could view economic problems of growing number and intensity relative to the economy as a whole, which could ensure maximum co-ordination of both public and private activities, and which could promote as rapidly as possible the full mobilization of the nation's economic resources for the purpose of waging total war. The Department of War Organization of Industry was created to undertake these responsibilities, but, owing in part to changes of Government, its organization was delayed and the Department did not begin active operations until December, 1941.

3. **Organization.**—It was soon apparent that in most of its immediate contracts with industry and in its administration of controls, State Offices of the Department were necessary, and by March, 1942, six Deputy-Directors had been appointed to control Branches established in the capital cities of the States, and subsequently offices were set up also at Launceston, Tasmania, and at Townsville, Queensland.

In the central administration in Melbourne, the Director-General is assisted by a Deputy Director-General, an Assistant Director-General and Assistant Directors administering each of six Divisions. The principal activities of these Divisions are :—

Rationalization.—New manufactures, transport, efficiency investigation, organization of non-rural industry, distribution and services.

Rural.—Production goals of rural products, and organization of rural industries in co-operation with Department of Commerce and Agriculture, and other Departments.

Economics and Statistics.—Research and statistical investigations for other divisions.

Building and Construction.—Building permits and priorities, and building materials control.

Administration.—Secretariat for Production Executive, drafting, administration and enforcements of Orders, establishment, accounts, library.

Public Relations.—Publicity.

There is also a Fisheries Co-ordinating Authority. Attached to the Department, but separately organized are the Scientific Liaison Bureau, with its head office in Melbourne and branches in each State, and the Universities Commission located in Sydney.

4. **Production Executive of Cabinet.**—On 6th November, 1941, the Prime Minister announced the completion of arrangements for the establishment of the Production Executive of Cabinet—the economic counterpart of the War Cabinet—“because of the need of a settled policy and a workable plan in regard to (a) man-power; (b) production resources; and (c) financial resources”. The Minister for War Organization of Industry is Chairman; the other members are the Treasurer, and the Ministers for Supply and Shipping, Munitions, Trade and Customs, Labour and National Service, Commerce and Agriculture, Transport, and Aircraft Production. The Production Executive deals generally with economic matters not requiring the attention of Full Cabinet. Several of its members are also members of War Cabinet and thus there is effective liaison between both Cabinet bodies.

5. **Functions of Department.**—As the Executive Department of Production Executive, the Department of War Organization of Industry provides its Secretariat, supplies the machinery for its proper functioning and is responsible for the implementation of its decisions by the Departments concerned. All the work of the Department is essentially the concern of Production Executive, which must approve all proposals for war-time re-organization of industry before effect can be given to them. These plans emerge in the discharge of the general functions of the Department, which are :—

(a) Planning and co-ordinating measures for organizing the industrial resources of the nation to achieve maximum production of essential needs;

(b) Diversion of labour, plant and material resources from non-essential to essential production by the re-organization of primary and secondary industries and commerce; and

(c) Co-ordination of efforts of various civil Commonwealth Departments to ensure that the maximum energies are being devoted to the production of war needs and essential civilian requirements, and that there is an appropriate distribution of functions relating to these activities.

6. **Progress in War Organization.**—It is possible within this small compass to give only a few examples of directions in which progress in the organization of industry for war has been achieved. The Minister for War Organization of Industry was responsible for the Cabinet submission which led to the establishment of the Man-power Directorate clothed with authority to utilize the nation's man-power to the best possible advantage, and later, for the creation of machinery for the review of war commitments in the light

of Australian resources, particularly of man-power. In advising the Man-power Directorate on the essentiality or otherwise of civilian enterprises, the Department has promoted the co-ordination of man-power policy with the maintenance of activities essential to the prosecution of the war and the civil needs of the community. By the prohibition of non-essential production, diversion of men and materials to nationally important production and services was secured.

Substantial progress has been made in the rationalization of industry, under which heading may be included arrangements for specialization, elimination of unnecessary varieties of goods, simplification—packaging, clothes styling—control of interstate transport, zoning—bread, milk, ice, etc.—and the institution of inter-departmental control over specific forms of production, controls over materials, and the regulation of building activities. As the result of rationalization in these various forms very substantial resources of labour, plant, machinery premises, and transport facilities have been diverted from non-essential to essential activities.

In its approach to the re-organization of industry, the Department has sought the voluntary co-operation of industrialists, and in many cases statutory sanctions have been unnecessary. In all cases where appropriate, the Trade Unions have been accorded an effective voice in the formulation of plans for rationalization. Certain controls because of their nature, such as controls over materials, building transport and new manufacture, are implemented by Orders under National Security Regulations, whilst others, like zoning, though implemented by Orders, have been formulated in consultation with representatives of employers and employees engaged in the industry concerned.

Rural production goals were established at the Department's suggestion and with its assistance. These goals, designed to take account of all essential requirements—civilian, Defence services, and export—provide the basis for the organization of rural and food processing industries including allocations of labour, fertilizers, machinery, etc. Augmentation of local fish supplies is the object of the Fisheries Co-ordinating Authority, which endeavours to meet all requirements of man-power, equipment, boats, liquid fuel and fishing gear.

7. Co-ordination of Governmental Activity.—The Department of War Organization of Industry is the focal point of reference for the effective co-ordination of activities by Government departments in the application of restrictions and controls. By means of conferences, committees and personal contact between officers, success has been achieved in the discussion and adoption of measures by Departments for the furtherance of the war effort with the minimum disturbance to the economic life of the community.

8. Price Stabilization.—The Commonwealth Prices Commissioner, the Secretary of the Treasury, and the Director-General of War Organization of Industry constitute the Price Stabilization Committee to implement the policy of price stabilization announced by the Government on 12th April, 1943, whereby unavoidable increases in costs are met, where necessary, by Treasury subsidies.

Responsibility rests with the Department of War Organization of Industry to harmonize this aspect of price stabilization with the general policy of war organization. In addition to investigating production priorities, the Department advises the Price Stabilization Committee on the possibility of offsetting increases in costs by a higher degree of efficiency in production, including savings due to rationalization. These investigations are undertaken by a special Efficiency Investigation Section of the Department, comprised of business men and cost accountants in association with technical advisers. Co-ordination between the activities of these officers and officers of the Prices Commissioner is effected by an arrangement whereby cost investigations for the Section are undertaken jointly with and normally carried out by the Prices Branch.

9. Civilian Requirements Board.—In the critical period when war developments in the Pacific threatened Australia directly, it was imperative to strengthen the Armed Forces and expand fighting equipment and supplies to the limit. The national emergency demanded subjugation of civilian interests and with suspended production, existing stocks of many types of goods essential to the life of the community, either

fell into short supply or became entirely unobtainable. Rationing of clothing and certain foodstuffs was introduced to restrict consumption and promote equity in distribution of available supplies, but this step of itself could not restore the general supply situation.

In July, 1943, the Civilian Requirements Board was established with the responsibility of determining essential civilian needs, exploring the possibility of those needs being met, and of promoting fair distribution of available civilian essential supplies throughout Australia. The Board is comprised of representatives of the Department of War Organization of Industry, with the Deputy Director-General of that Department as Chairman, the Rationing Commission, the Controller-General of Food, and the Department of Post-war Reconstruction. It does not control production, but works closely with the production Departments and the Directorate of Man-power, thereby ensuring that such resources of materials, man-power and productive capacity as can be released from war production are applied to the satisfaction of civilian requirements of the greatest essentiality. Resumed production of certain household utensils and implements, and a programme of expanded manufacture of civilian clothing are examples of responses to the representations of the Board.

Civilian Requirements Committees—similar in constitution to the Board—have been established in all States and these, through local representatives in provincial and country districts are able to provide the Board with information regarding essential civilian supplies.

§ 21. Income Taxes in Australia.

1. **General.**—Income Tax was first levied in Australia by the State of South Australia in 1884, and was adopted by the other States in succeeding years, the last being Western Australia in 1907. The Commonwealth first imposed income tax for the financial year 1915-16, the tax being based on incomes derived during 1914-15. Commonwealth and State income taxes were collected independently under acts which differed widely in principle.

2. **Development of Commonwealth and State Income Taxes.**—(i) *Historical.* In 1923 agreements were entered into between the Commonwealth and all States except Western Australia, under which the Commonwealth tax was collected by the State Department. In Western Australia the Commonwealth Department collected the State income tax. A joint form of income tax return for both Commonwealth and State purposes was used in all States.

The revenue difficulties of governments during 1929-30 and subsequent years led to the imposition by all Governments except that of South Australia of special taxes on income in addition to the ordinary income tax. These taxes were variously described as Unemployment Relief, Financial Emergency, Special Income, etc., and differed widely in principle from the ordinary income tax. In general, they were imposed at a flat or very slightly progressive rate on gross income without allowance for family circumstances. The Commonwealth imposed a special tax on income from property.

Attempts had been made, since Commonwealth income tax was first imposed, to obtain a uniform assessment act for the Commonwealth and all the States and this was substantially achieved in 1936. The uniform act, however, related only to ordinary income tax and the differences which remained between the ordinary and special taxes in any one State were, in many respects, greater than those which had existed between the ordinary taxes of the Commonwealth and States.

In the three years up to 1941-42 three of the State special taxes were eliminated by amalgamation with the ordinary tax, and, in that year, New South Wales and Tasmania, as well as South Australia, levied only a single income tax. The Commonwealth, however, in 1941-42 imposed a special War Tax along much the same lines as the State special taxes.

In 1941 a Premiers Conference discussed the possibility of the Commonwealth levying a single income tax on behalf of the Commonwealth and the States for the duration of the war; but the proposals then made proved unacceptable. In 1942 the Commonwealth Parliament passed legislation providing for the imposition of a single uniform tax for the duration of the war and one year thereafter, and offering the States

£33,500,000 as compensation if they would agree to abandon the field of income tax. The validity of this legislation was upheld in the High Court and the offer was accepted by the States. In 1942-43 all State income taxes were suspended until after the war and only the uniform income tax was levied.

A Joint Parliamentary Committee under the chairmanship of the Treasurer (Hon. J. B. Chifley) was appointed on 10th February, 1944, to inquire into the adoption of the "pay-as-you-earn" method of taxation. The Committee recommended that this method be adopted and that tax for any financial year be based on the income of that year. Under the previous system tax payable in any financial year was based upon the income of the previous year. The recommendations of the Committee were adopted by Parliament in the Income Tax Assessment Act 1944, which was assented to on 3rd April, 1944.

(ii) *Assessment and Collection of Tax.* Prior to 1930 Commonwealth and State income taxes were assessed and collected as follows:—The taxpayer was required to lodge a return of income by 31st July of each year (31st August for business income) showing the income derived from each source during the twelve months ended 30th June, together with any deductions or allowances claimed. The return was checked and the tax payable was assessed. Notices of assessment were sent to the taxpayer as completed (in most cases from January to June following the lodgment of the return). The due date for payment of the tax shown on the notice of assessment was within a few weeks of the receipt of the notice and additional tax was charged if payment was not made by the due date. The tax shown on the notice of assessment was expressed as being in respect of the financial year following the year of income on which the tax was based. Thus tax based on the income of any given year was payable in a lump sum from six to twelve months after the close of that year. The method of collection from employees was progressively altered after 1930 to deduction at source from wages and salaries. Collection from non-employees continued unaltered until the adoption of "pay-as-you-earn" in 1944.

(iii) *Deduction at Source from Wages and Salaries.*—(a) *General.* In conjunction with the introduction of the special taxes and heavy increases in normal taxes at the beginning of the 1930 depression all States adopted a new method of payment by deduction from wages. The deduction system was extended in several States to cover ordinary taxes as well as the special taxes.

Under this method deductions were made from all wage and salary payments in accordance with a published schedule showing the amount to be deducted from each weekly payment. The wage-earner received stamps in lieu of the sums deducted. In some States, however, large employers were permitted to make the deductions and remit the sums so deducted direct to the Taxation Department. The employee on request received a certificate showing the amount which had been deducted.

(b) *"Wages Tax" System.* The moneys so deducted were applied towards meeting income taxes due in two ways. Under the "wages tax" system (adopted in full in New South Wales) the deductions were the final payment of tax on the income. A taxpayer was not required to lodge a return unless he had either income from non-wage sources or was liable to pay ordinary income tax. If a return was lodged, the non-wage income was assessed to special tax in the ordinary way and the whole income was assessed to ordinary tax if the taxpayer was liable. Under the "wages tax" system the tax on wage income was actually paid week by week in the year in which it was earned while the tax on non-wage income was paid in one amount six to twelve months after the close of the year of income. When the "wages taxes" were first introduced only the non-wage income of the previous year was assessed to tax, while tax from wages was collected from wages earned in the current year. The New South Wales special tax was of the "wages tax" type and the Queensland and the Western Australian special taxes closely approximated to it.

(c) *"Instalment" System.* The second method of applying deductions from wages to meet tax was the "instalment" system. Under this method the deductions were regarded as instalments towards meeting the lump sum payment due six to twelve

months after the close of the year of income. When the taxpayer received his notice of assessment he presented to the Taxation Department all the tax stamps or deduction certificates he held at the time, irrespective of the date at which the deductions were made. Any excess of tax due over the deductions made had to be paid in cash, while any excess of deductions was refunded in cash. Under this method the deductions were simply an advance payment of tax and were only an approximation to the actual amount of tax payable. The instalment system was used by Victoria for both ordinary and special taxes, and by South Australia for the one State income tax.

(d) *Commonwealth Instalment Deductions.* The Commonwealth adopted the instalment system of deductions from 1st January, 1941, concurrently with the extension of the tax to lower incomes, and a joint system of Commonwealth and State deductions was established in all States except Western Australia. Deductions made could be applied either in meeting Commonwealth or State taxes.

In 1941-42 deductions from wages and salaries commenced on 1st August, 1941, and continued until the assessment based on income earned during 1940-41 was paid between January and June, 1942. All deductions made up to the due date of payment were applied to meeting the tax payable and any difference was either paid in cash or refunded. The employee then received an exemption certificate exempting him from deductions till 31st July, 1942. The deductions were thus spread over about 40 weeks, the rate of deduction being calculated to approximate to the full tax payable. Exemption certificates were also issued to those employees whose return of income lodged in July, 1941, showed that they would not be liable for any tax in 1941-42.

(e) *Continuous Deductions.* The instalment system was modified on 1st April, 1943, to provide for deductions being spread over the full 52 weeks instead of only 40 weeks. In addition the concept of a "deduction year" was introduced. Under this system deductions were continuous throughout the year, and all deductions made at any time up to the due date of payment of the assessment could be applied to meeting the tax due. If the deductions were insufficient to meet the tax, the balance was paid in cash; but if the deductions exceeded the tax due, only the excess of deductions, made up to 31st March of the year following the year of income, over the tax based on income of that year was refunded. Deductions made between 1st April and the due date of the assessment (i.e., for up to three months for some taxpayers) were retained to be applied to meet the tax due in the following year and a certificate of credit was issued showing the amount retained. Interest at 2 per cent. per annum was allowed on these certificates. Exemption certificates were issued for the period up to 31st March following any income year in which the income earned was insufficient to render the taxpayer liable to income tax.

Under this system the rate of deduction from 1st April was based on the rates of tax imposed on assessments to be made in the following financial year. Previously increased rates of tax were not reflected in deductions until 1st August.

(f) *Pay-as-you-earn.* Under the pay-as-you-earn proposals, adopted in April, 1944, the method of applying deductions to meet tax assessed was altered substantially and certain changes were made in the method of making deductions.

Deductions made from 1st April, 1943, to 31st March, 1944, were applied, under the old system, to meet tax assessed on income of the year ended 30th June, 1943. Under the pay-as-you-earn scheme deductions from 1st April, 1944, to 30th June, 1944, will be applied to meet tax on income of the year ended 30th June, 1944, and deductions from 1st July, 1944, to 30th June, 1945, will be applied to meet tax on the income of that year. From 1944-45 the deduction year coincides with the income year instead of being nine months behind it.

The group scheme of deductions has been extended to cover most employers with more than ten employees. These employers make deductions from each pay in accordance with the published schedule, remit the proceeds to the Taxation Department, and after 30th June each year give each employee a group certificate showing the amount of deductions made during the year. When the employee receives his assessment he uses the group certificate in payment or part payment of his tax. Any excess of the group certificate over the assessment is refunded and any deficiency is payable in cash.

The stamp scheme of deduction has been modified to provide for the use of a stamp deduction card in two parts. Each four weeks the employer purchases stamps (also in two parts) for the amount of the deductions made each pay day and sticks one part on each half of the card. At the end of the year the employer gives the employee one half of the card and sends the other half to the Taxation Department. The employee's half is then used in the same way as a group certificate.

3. **Collection from Non-employees.**—Under the pay-as-you-earn system payment of tax by non-employees in one amount will be continued but the nature of the payment has been altered. The notice of assessment (usually issued about nine months after the end of the income year) will show the amount of provisional tax payable on the income of the current year. This provisional tax is an approximation to the tax which will prove to be payable after the return of income for the current year has been lodged. It will be ascertained by assuming that the income of the current year will be the same as that for the previous year (for which a return has already been lodged). The notice also shows the net adjustment between the provisional tax for the previous year and the tax finally assessed on the income of that year. The total amount of tax shown on the notice is payable in one amount within a few weeks of receipt of the notice.

Employees with income in excess of £50 from sources, other than wages or salary, will be required to pay provisional tax on that other income.

4. **Pay-as-you-earn Adjustments in 1944-45.**—(i) *Salary and Wage Earners.* The return of income for the year ended 30th June, 1944, will be assessed in the normal way but in most cases 75 per cent. of the tax assessed will be rebated. Employees' group certificates or stamp deductions for the three months 1st April to 30th June, 1944, will be approximately equal to the tax payable.

(ii) *Non-employees.* An amount equal to the full tax on income of the year ended 30th June, 1944, will be payable by non-employees as provisional tax for 1944-45, and will be subject to adjustment when tax on income of the year ended 30th June, 1945, is finally assessed. The tax on income of the year ended 30th June, 1944 (in most cases 25 per cent. of the full tax) will be payable in three equal instalments which will be included in the notices of assessment for 1944-45, 1945-46 and 1946-47. The notice of assessment for 1944-45 will therefore show full tax on income of the year ended 30th June, 1944, as provisional tax for 1944-45, and one-third of 25 per cent. of the tax on that year as a first instalment of tax finally assessed for that year. The notice issued in 1945-46 will show full tax on income of the year ended 30th June, 1945, as provisional tax for 1945-46, an adjustment equal to the difference between provisional tax paid for 1944-45 and tax finally assessed on that year, and the second instalment of tax on income of the year ended 30th June, 1944.

If the income of the year ended 30th June, 1944, exceeds £500 and exceeds the income of the previous year by more than 20 per cent. the rebate of 75 per cent. of the tax is limited to 75 per cent. of the tax on what the income of the year ended 30th June, 1944, would have been if no abnormal items of income had been included.

5. **Assessable Income.**—Income tax in Australia is levied, primarily, on all income derived from Australian sources by any person, rather than on income derived from all sources by Australian residents. Thus a non-resident is taxed on all income derived from Australia while a resident is, in general, not taxed on income other than dividends derived from overseas (provided the income is taxed in the country in which it is derived).

Certain types of Australian income are exempt from tax in Australia, the most important being income from gold-mining and a small amount of tax-free interest on Commonwealth Government securities. The value of a house occupied by its owner is not assessable income. Profits derived from the sale of property are not assessable income if such property was not purchased with a view to resale at a profit.

Assessable income is divided into two main groups—personal exertion and property. Personal exertion income includes all wage, salary, business and professional incomes, while property income includes all rents, dividends and interest. Property income is taxed at higher rates than personal exertion income in all cases where the total taxable income exceeds £200.

Expenses incurred in earning income, certain subscriptions to business associations, trade union dues, War Damage Insurance and certain A.R.P. expenditure are allowable deductions. Losses incurred in previous years may be carried forward as a deduction.

6. Rebates of Tax.—No deductions from taxable income are made for dependants but rebates of tax are allowed. The rebate of tax is calculated as follows :—Concessional allowances of £100 are made for a dependent spouse ; mother ; a housekeeper for a widower with children ; and daughter-housekeeper for a widower without children. Concessional allowances of £75 are made for the first dependent child under 16 years of age ; a child between 16 and 18 years of age receiving full-time education ; or an invalid child aged 16 or over ; and £30 for each dependent child under 16 years of age in excess of one. Dependent children under 16 years of age include any children (irrespective of relationship) actually dependent on the taxpayer. No allowance is made for dependent spouse if the separate income is over £50 per annum and if any dependant is only partially maintained or is maintained for less than the full year the allowance is reduced.

The rebate of tax is calculated by applying the personal exertion rate of tax on the taxable income to the amount of the concessional allowance. The rebate for dependants, however, is limited to £45 for dependants for whom the concessional allowance is £100 or £75 and £8 for the second and other children (for whom child endowment is payable).

The actual expenditure of the taxpayer on life assurance, superannuation and friendly society contributions (amount limited to £100) ; medical, hospital, pharmaceutical and dental expenses ; funeral expenses (amount limited to £20) ; rates and land taxes on non-income producing property (including owner-occupied house) ; and gifts to charitable, benevolent or patriotic funds, is also treated as a concessional allowance. The amount allowed for dental expenses is limited to £10 for the taxpayer or any one of his dependants and for the whole group medical, hospital, dental and pharmaceutical expenses to £50 for the taxpayer or any one of his dependants. The rebate is calculated by applying the personal exertion rate of tax to the total amount of such expenditure.

A rebate of tax is also allowed at one-third the personal exertion rate of tax on amounts paid as calls to gold-mining, forestry and oil prospecting companies.

Interest on Commonwealth Loans issued prior to 1st January, 1940, is subject to the condition that it shall not be taxed at rates higher than those for 1930–31 and since present rates are higher in all cases, a rebate of tax of the difference in rates is allowed. Interest on Commonwealth Loans issued after 1st January, 1940, and certain State semi-governmental loans issued free of State income tax receives a rebate of 2s. in the £. This latter rebate is provided as being equivalent in value to the exemption from State income taxes, which are at present suspended under the Uniform Tax arrangement.

The rate of tax for farmers and pastoralists is determined by the average taxable income of the five years up to the current year, but the rate is applied to the actual income of the current year.

7. Members of Forces.—The following concessions in tax are given to members of the Forces :—

- (a) Deferred pay is exempt from tax, either as credited or when actually received ;
- (b) Dependants' allowances (but not the member's allotment to dependants) are exempt from tax. At the same time the member receives the concessional rebate for dependants ;
- (c) Active pay of members who serve outside Australia is exempt from tax ;
- (d) Members serving within Australia are exempt from tax if the taxable income is less than £250. If the taxable income exceeds £250 the members receive a special deduction of £146 which diminishes as the income increases and vanishes at £587.

The income of a member of the Forces serving in Australia is the sum of his active pay and £44 per annum (the assumed value of food, clothing and quarters supplied).

Merchant seamen receive the special deduction allowed to members of the Forces serving in Australia.

8. **Effective Exemptions from Tax.**—The effective exemption limit from Commonwealth Income Tax before the war was £250 for a single man. State exemptions varied from £100 to £156. In 1940-41 (1939-40 income) the Commonwealth exemption was reduced to £200 and was retained at that level in 1941-42 for ordinary income tax. The special War Tax, however, was imposed on incomes over £156. The exemption was fixed at £156 for the first year of Uniform Tax (1942-43) but has been reduced to £104 for 1943-44 and 1944-45. The effective exemption in 1944-45 for taxpayers without dependants or with one dependant is £104. With wife and one child the effective exemption is £175, with wife and two children £211 and with wife and three children £257. These amounts are increased by the amount of concessional allowances other than for dependants.

9. **Taxes on Sample Individual Incomes.**—The following tables show the combined Commonwealth and New South Wales income taxes on taxpayers with varying incomes and numbers of dependants in the years 1938-39 to 1941-42 and the Commonwealth Uniform Tax in 1942-43 and 1943-44. The level of taxation in New South Wales approximated very roughly to the average of all States. Rates of tax for 1944-45 are the same as for 1943-44. For the majority of taxpayers, however, the pay-as-you-earn rebate of 75 per cent. of the tax on income of the year ended 30th June, 1944, will be allowed.

**TOTAL COMMONWEALTH AND NEW SOUTH WALES INCOME TAXES :
1938-39 TO 1943-44.**

Income.	1938-39.	1939-40.	1940-41.	1941-42.	1942-43.	1943-44.
INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH NO DEPENDANTS.						
£	£	£	£	£	£	£
100	..	..	..	..	..	..
150	..	4.1	..	..	..	10.5
200	3.0	6.7	5.4	6.8	7.9	21.9
250	5.8	10.0	14.0	17.1	19.2	36.7
300	10.2	14.7	24.1	28.0	31.5	55.0
350	15.6	20.0	34.1	38.6	44.2	75.1
400	20.3	25.3	43.9	49.2	57.3	95.4
500	31.0	37.4	65.1	75.1	84.8	136.7
600	42.9	50.8	89.2	101.2	114.0	178.7
800	69.9	81.3	146.3	161.2	179.4	265.4
1,000	96.7	111.6	215.7	233.0	256.0	355.4
1,500	181.0	202.0	440.0	466.0	495.0	619.0
2,000	279.0	311.0	718.0	770.0	804.0	951.0
3,000	515.0	623.0	1,315.0	1,563.0	1,599.0	1,747.0
5,000	1,166.0	1,441.0	2,562.0	3,332.0	3,374.0	3,530.0
INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH DEPENDENT WIFE.						
£	£	£	£	£	£	£
100	..	..	..	..	..	..
150	..	..	..	..	..	3.5
200	1.7	..	..	1.9	3.9	10.9
250	4.5	8.7	7.4	3.8	9.6	18.3
300	6.7	11.0	15.0	18.9	21.0	36.7
350	11.7	15.8	24.8	29.1	31.5	53.6
400	16.1	20.9	34.6	39.4	43.0	71.5
500	26.2	32.3	55.0	63.7	67.9	109.3
600	37.4	44.9	77.3	88.4	94.9	149.0
800	63.2	74.1	131.4	145.0	157.0	232.2
1,000	90.8	104.7	197.7	214.2	230.4	319.9
1,500	173.0	193.0	415.0	440.0	462.0	578.0
2,000	269.0	300.0	600.0	738.0	764.0	906.0
3,000	502.0	607.0	1,285.0	1,520.0	1,554.0	1,702.0
5,000	1,146.0	1,418.0	2,520.0	3,290.0	3,329.0	3,485.0

TOTAL COMMONWEALTH AND NEW SOUTH WALES INCOME TAXES :
1938-39 TO 1943-44—continued.

Income.	1938-39.	1939-40.	1940-41.	1941-42.	1942-43.	1943-44.
INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH DEPENDENT WIFE AND ONE CHILD.						
£	£	£	£	£	£	£
100	..	..	..	..	..	..
150	..	..	..	..	..	..
200	0.4	..	..	0.6	0.9	2.7
250	3.2	7.4	6.1	2.5	3.8	7.3
300	5.4	9.7	8.5	10.5	13.1	22.9
350	8.2	12.1	15.7	19.5	22.0	37.5
400	12.1	16.7	25.3	29.6	32.3	53.7
500	21.6	27.4	45.4	53.1	55.2	88.9
600	32.3	37.4	66.2	76.1	80.7	126.6
800	56.8	67.2	117.3	129.8	140.2	207.3
1,000	84.1	98.0	180.5	195.9	211.2	293.2
1,500	165.0	184.0	390.0	415.0	437.0	547.0
2,000	259.0	289.0	662.0	706.0	734.0	870.0
3,000	489.0	592.0	1,255.0	1,476.0	1,514.0	1,658.0
5,000	1,127.0	1,395.0	2,496.0	3,248.0	3,284.0	3,440.0

INCOME FROM PERSONAL EXERTION.—TAXPAYER WITH DEPENDENT WIFE AND
TWO CHILDREN.

£	£	£	£	£	£	£
100	..	..	..	..	..	..
150	..	..	..	..	..	..
200	..	..	..	..	..	..
250	1.9	6.1	4.8	1.2	1.5	2.9
300	4.1	8.4	7.2	7.3	10.0	17.4
350	6.9	10.8	9.3	16.4	18.3	31.1
400	8.7	13.0	16.2	26.4	28.0	46.5
500	17.4	22.9	36.0	49.0	50.2	80.9
600	27.4	34.3	56.2	71.8	75.7	118.6
800	50.8	60.8	104.0	125.5	135.2	199.3
1,000	78.0	91.5	164.1	191.6	206.2	285.2
1,500	157.0	176.0	366.0	411.0	432.0	539.0
2,000	250.0	280.0	634.0	702.0	729.0	862.0
3,000	478.0	576.0	1,226.0	1,471.0	1,509.0	1,650.0
5,000	1,107.0	1,371.0	2,464.0	3,248.0	3,279.0	3,432.0

INCOME FROM PROPERTY.—TAXPAYER WITH NO DEPENDANTS.

£	£	£	£	£	£	£
100	..	..	..	..	..	..
150	..	3.1	..	..	..	10.5
200	3.3	5.8	6.0	6.8	9.9	21.9
250	5.8	8.9	16.0	18.4	24.0	40.1
300	10.7	14.5	28.2	31.0	39.4	63.3
350	17.1	20.6	40.2	43.6	55.2	89.2
400	23.1	27.1	52.2	56.0	71.6	115.4
500	36.4	41.9	87.7	85.9	106.0	167.9
600	51.9	59.1	106.9	116.6	142.5	221.5
800	92.0	103.6	176.7	187.2	224.2	331.0
1,000	132.8	148.7	261.1	273.0	320.0	444.0
1,500	263.0	289.0	530.0	549.0	619.0	766.0
2,000	418.0	460.0	823.0	907.0	1,005.0	1,159.0
3,000	795.0	924.0	1,448.0	1,769.0	1,902.0	2,026.0
5,000	1,807.0	2,134.0	2,764.0	3,558.0	3,702.0	3,830.0

10. Rates of Commonwealth Income Tax on Individuals.—From 1931-32 to 1939-40 the rates of Commonwealth Income Tax on Individuals were expressed as a percentage of the formula adopted in 1931-32. The following formulae show the tax in pence where T is the taxable income in pounds :—

	Taxable Income.		Tax in Pence.
Personal Exertion ..	£1-£6,900 ..	..	.00625T ² + 3T
	over £6,900 ..	..	90T - 302,737.5
Property ..	£1-£500 ..	..	.01T ² + 3T
	£501-£1,500 ..	..	.014T ² + T
	£1,501-£3,700 ..	..	.0115T ² + 4.75T
	over £3,700 ..	..	90T - 157,990

The following percentages of the tax calculated under this formula were payable from 1931-32 to 1939-40 :—

Year.	Personal Exertion.	Property.
	%	%
1931-32 and 1932-33 ..	.. 100	100(a)
1933-34 and 1934-35 ..	.. 85	100(b)
1935-36 ..	.. 85	100(c)
1936-37 and 1937-38 ..	.. 76.5	90
1938-39 ..	.. 87.975	103.5
1939-40 ..	.. 96.7725	113.85

- (a) In addition a further tax of 10 per cent. of the Taxable Income from Property was payable.
- (b) In addition a further tax of 6 per cent. of the Taxable Income from Property was payable.
- (c) In addition a further tax of 5 per cent. of the Taxable Income from Property was payable.

The Rates of Commonwealth Income Tax in subsequent years were as follows :—
(T = Taxable Income.)

Year.	Personal Exertion.		Property.	
	Taxable Income.	Tax in Pence.	Taxable Income.	Tax in Pence.
1940-41..	£1- £400	.16T	£1- £400	.20T
	£401-£1,500	.04T ²	£401-£1,200	.05T ²
	over £1,500	120T - 90,000	over £1,200	120T - 72,000
1941-42(a)	£1- £400	.16T	£1- £400	.20T
	£401-£2,500	.04T ²	£401-£2,000	.05T ²
	over £2,500	200T - 250,000	over £2,000	200T - 200,000
1942-43..	£151- £200	.12T ² - 28T + 2,700	£151- £200	.15T ² - 35T + 3,375
	£201- £250	.08T ² + 18T - 4,900	£201- £250	.10T ² + 22.5T - 6,125
	£251- £600	.02T ² + 48T - 8,650	£251- £600	.025T ² + 60T - 10,812.5
	£601-£2,500	.033T ² + 32.4T - 3,970	£601-£2,100	.04125T ² + 40.5T - 4,962.5
	£2,501-£4,000	.006T ² + 168T - 174,220	over £2,100	216T - 191,600
	over £4,000	216T - 270,220		
1943-44..	£101- £300	.165T ² - 3T - 750	£101- £200	.165T ² - 3T - 750
	£301-£1,000	.01T ² + 90T - 14,700	£201- £300	.24T ² - 20.5T - 250
	£1,001-£2,000	.033T ² + 44T + 8,300	£301-£1,000	.01T ² + 117.5T - 2,950
1944-45(b)	£2,001-£3,000	.015T ² + 116T - 63,700	£1,001-£2,000	.034T ² + 69.5T + 3,050
	£3,001-£5,000	.004T ² + 182T - 162,700	£2,001-£5,000	.00275T ² + 194.5T - 121,950
	over £5,000	222T - 262,700	over £5,000	222T - 190,700

(a) In addition a War Tax was imposed at rates commencing at 3d. in the £ on incomes in excess of £156, rising by .125d. for every additional £6 of income in excess of £156 until the rate reached 6d. in the £ on incomes in excess of £300.

(b) Rates of tax for 1944-45 are the same as for 1943-44 but are subject to the pay-as-you-earn 75 per cent. rebate.

From 1931-32 to 1941-42 a statutory exemption was allowed as a deduction from net income (assessable income less all other deductions) in order to arrive at taxable income. The statutory exemption from 1931-32 to 1939-40 was £250 less £1 for each £2 by which the net income exceeded £250. The exemption vanished at a net income of £750. From 1931-32 to 1933-34, however, the statutory exemption allowed on

income from property was £200 less £1 for every £2 by which the net income exceeded £200 and vanished at £600. In 1940-41 and 1941-42 the statutory exemption was £200 less £1 for each £1 by which the net income exceeded £200. and vanished at £400. No statutory exemption was allowed for War Tax.

In 1942-43 it was provided that if the taxable income was less than £157 no tax should be payable and that if the taxable income was less than £167 tax payable should not exceed half the excess of the taxable income over £156.

In 1943-44 and 1944-45 no tax is payable if the taxable income is less than £105, and if the taxable income is less than £113 tax payable shall not exceed half the excess of the taxable income over £104.

In each year the minimum tax payable was 10s. and for 1942-43, 1943-44 and 1944-45 it is provided that tax payable and rebates shall be calculated to the nearest shilling.

11. **Company Income Taxes.**—(i) *General.* For taxation purposes, companies are divided into two main groups—public companies and private companies. A private company is defined as a company which is under the control of not more than seven persons, and which is not a company in which the public are substantially interested or a subsidiary of a public company. Ordinary income tax is imposed on both groups of companies, but other taxes on companies are imposed according as to whether a company is public or private. Pay-as-you-earn taxation has not been applied to companies.

(ii) *Public Companies.*—(a) *Ordinary Income Tax.* Companies are assessed for Commonwealth Income Tax on the same principles as individuals. Tax is, however, assessed at a flat rate on the whole taxable income. Dividends received are assessable income both for companies and individuals, but companies receive a rebate at the company rate on the amount of dividends included in the taxable income. This rebate is not allowed to non-resident companies. The rates of ordinary income tax since 1931-32 have been as follows:—1931-32 and 1932-33, 1s. 4.8d. in £1; 1933-34 to 1937-38, 1s. in £1; 1938-39, 1s. 1.8d. in £1; 1939-40 and 1940-41, 2s. in £1; 1941-42, 4s. in £1; and 1942-43 to 1944-45, 6s. in £1. A further tax on taxable income from property was payable as follows:—1931-32 and 1932-33, 10 per cent.; 1933-34 and 1934-35, 6 per cent.; and 1935-36, 5 per cent. The rate on Commonwealth Loan Interest subject to 1930-31 rates is 1s. 4d. in £1 or the actual company rate, whichever is the lesser.

(b) *War-time (Company) Tax.* The War-time (Company) Tax was first imposed in 1940-41 on income derived in 1939-40. The tax is levied on the taxable profit of a company in relation to capital employed. Taxable profit is obtained by deducting from taxable income:—

(a) Commonwealth ordinary income tax payable in respect of that taxable income; and

(b) any dividend included in taxable income.

Capital employed excludes shareholdings in other companies.

The tax is imposed on the excess of the taxable profit over a percentage of capital employed. This percentage standard was 8 per cent. for 1940-41 and 5 per cent. since that year. The rates of tax varied from 4 per cent. of the excess to 60 per cent. of the excess (where the excess was over 14 per cent. of capital employed) in 1940-41, and from 6 per cent. of the excess to 78 per cent. of the excess (where the excess was over 12 per cent. of capital employed) in subsequent years.

Unlike the War-time Profits Tax of the last war, the tax is not related to pre-war profits.

Private companies, co-operative companies, mutual life assurance companies, companies in which little or no capital is required and profits are derived from commissions, etc., and companies other than subsidiaries whose taxable profits do not exceed £1,000 are exempt from the tax.

(c) *Super Tax.* In conjunction with the War-time (Company) Tax, a Super Tax of 1s. in the £ on the excess of the taxable income over £5,000 was imposed. All companies receive a rebate of 1s. in the £ on the amount of dividends (from companies which have already paid super tax) included in super tax income.

Commonwealth Loan Interest subject only to 1930-31 rates of tax is excluded from super tax income since the full 1930-31 rate of 1s. 4d. in the £ is already paid as ordinary income tax. The interest is, however, included in taxable profit for the purposes of War-time (Company) Tax where it has the effect of reducing the War-time (Company) Tax payable.

If a company is liable to both Super Tax and War-time (Company) Tax, the taxes are alternative and, in effect, only the higher of the two and not both taxes are payable. This is achieved by allowing a rebate against War-time (Company) Tax of the lesser of the following amounts :—

- (a) the amount of War-time (Company) Tax assessed, or
- (b) the net amount of Super Tax payable.

(d) *Undistributed Income Tax.* Since 1940-41 a tax has been imposed at the rate of 2s. in the £ on the undistributed income of a public company. The undistributed income is the taxable income less :—

- (a) Commonwealth Income Tax, Super Tax and War-time (Company) Tax and any tax paid outside Australia on the taxable income ;
- (b) Dividends paid out of the taxable income before the expiration of six months (nine months if the company is a non-resident) after the close of the year of income ;
- (c) The net loss incurred in carrying on the company's business outside Australia ; and
- (d) The portion of Commonwealth Loan Interest subject to 1930-31 rates remaining in undistributed income.

Mutual life assurance companies and non-resident companies not carrying on business in Australia are exempt from the tax.

(iii) *Private Companies.* Private companies are not liable for War-time (Company) Tax, super tax or the normal undistributed income tax. An additional tax on the undistributed income is imposed, this tax being based on the close relationship between a private company and a partnership.

The undistributed income is calculated in approximately the same way as for a public company, but instead of a flat rate of 2s. in the £ being imposed, the additional tax which would have been payable by the shareholders, if all the income had been distributed, is calculated, and this amount is charged to the company as additional tax on undistributed income. The tax so charged is allowed with other taxes as a deduction in determining the undistributed income for the following year. In this way the shareholders of a private company are required to pay approximately the same tax as if they were a partnership or sole traders.

12. *Yield of Income Taxes.*—(i) *Collections from all Income Taxes.* The following table shows the collections of taxes of all types imposed on income for the past six years :—

INCOME TAX COLLECTIONS.

Year.	Individuals.			Companies.			Total.		
	Commonwealth.	State.	Total.	Commonwealth.	State.	Total.	Commonwealth.	State.	Total.
1938-39 ..	£'000. 7,582	£'000. 18,314	£'000. 25,896	£'000. 4,300	£'000. 11,498	£'000. 15,798	£'000. 11,882	£'000. 29,812	£'000. 41,694
1939-40 ..	8,450	20,618	29,068	7,980	12,833	20,813	16,430	33,451	49,881
1940-41 ..	26,505	21,149	47,654	16,800	14,310	31,110	43,305	35,459	78,764
1941-42 ..	46,883	20,352	67,235	30,681	16,370	47,051	77,564	36,722	114,286
1942-43(a) ..	93,481	4,792	98,273	48,408	1,520	49,928	141,889	6,312	148,201
1943-44(a) ..	132,559	887	133,446	51,410	384	51,794	183,969	1,271	185,240

(a) Commonwealth collections are greater than the Budget figures by the amount of refunds of State taxes—State collections are net arrears.

(ii) *Commonwealth Income Tax Assessed.* The amounts of Commonwealth taxes assessed on the income of recent years are shown in the following table. The amounts are shown under the year in which most of the assessments were made, i.e., the year following the income year :—

COMMONWEALTH INCOME TAXES ASSESSED.

Tax.	1938-39.	1939-40.	1940-41.	1941-42.	1942-43.
	£'000.	£'000.	£'000.	£'000.	£'000.
Individuals—					
Income Tax	7,259	7,423	29,787	38,974	83,227
War Tax .. ..	..	..	..	8,378	..
Companies—					
Income Tax	4,239	8,041	9,342	19,916	35,764
Super Tax .. ..	..	..	2,856	2,713	3,208
War-time (Company) Tax .. ..	..	..	2,212	4,090	3,286
Undistributed Income Taxes(a)—					
Private Companies	698	688	3,766	6,296	9,100
Non-Private Companies .. ..	..	..	2,578	2,397	1,758
Total	12,196	16,152	50,541	82,764	136,343

(a) Approximate.

(iii) *Commonwealth Income Tax on Residents in Grades of Incomes.* Individual income taxes assessed on residents were distributed according to grades of actual income (income before allowing deductions of a concessional nature or statutory exemptions and including exempt income) as follows :—

COMMONWEALTH INCOME TAXES ON RESIDENT INDIVIDUALS IN GRADES OF INCOMES.

Grade of Actual Income.	1939-40.		1940-41.		1941-42.			1942-43.		
	No. of Tax-payers.	Tax.	No. of Tax-payers.	Tax.	No. of Tax-payers.	Income Tax.	War Tax.	Total Tax.	No. of Tax-payers.	Tax.
£	£	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.	£'000.
151- 200	..	..	..	..	187,000	..	394	394	193,605	961
201- 250	..	..	88,328	242	265,497	272	810	1,082	193,259	1,762
251- 300	47,732	27	127,231	720	316,872	825	1,348	2,173	276,287	3,890
301- 350	55,375	53	102,204	881	211,813	1,167	1,224	2,391	266,049	5,733
351- 400	48,835	73	72,821	876	119,371	1,259	817	2,076	182,714	5,515
401- 500	68,168	182	86,751	1,570	118,262	2,190	988	3,178	182,915	8,032
501- 600	38,939	197	44,272	1,300	51,500	1,613	543	2,156	71,949	4,821
601- 751	29,912	294	33,434	1,559	36,003	1,778	473	2,251	(a)54,531	5,681
751- 1,000	23,070	460	25,915	2,096	27,418	2,340	464	2,804	(b)23,675	4,022
1,001- 1,250	10,922	372	12,376	1,745	13,173	1,986	283	2,269	15,597	4,015
1,251- 1,500	6,281	306	7,467	1,610	7,720	1,798	198	1,996	9,026	3,329
1,501- 2,000	7,987	691	7,938	2,748	8,024	3,008	244	3,252	9,756	5,436
2,001- 3,000	4,549	686	6,294	3,862	6,509	4,820	243	5,063	7,619	7,702
3,001- 4,000	2,045	615	2,399	2,464	2,316	3,212	103	3,105	2,718	4,815
4,001- 5,000	984	484	1,123	1,562	1,158	2,410	59	2,469	1,223	3,182
5,001-10,000	1,298	1,321	1,480	3,297	1,507	5,203	98	5,301	1,667	7,317
10,001-15,000	205	504	244	1,023	264	1,800	26	1,826	276	2,402
15,001-25,000	92	393	112	714	112	1,237	17	1,254	(c) 152	2,343
25,001-50,000	39	316	47	600	46	900	10	910	(d) 28	767
50,001 and over	8	141	12	297	12	396	5	401	7	321
Total ..	346,441	7,115	620,448	29,166	1,374,577	38,214	8,347	46,561	1,493,053	82,045

(a) Grade £601-£800.
£30,001-£50,000.

(b) Grade £801-£1,000.

(c) Grade £15,001-£30,000.

(d) Grade

§ 22. The Secondary Industries Commission.

The Secondary Industries Commission was established by the Government towards the end of 1943 as part of the Ministry of Post-war Reconstruction. It is charged with the task of investigating possible uses to which the munitions plants of the Commonwealth may be put in peace time, so that they may be fitted into the structure of Australian peace-time economic life. The Government is also looking to the Commission to prepare plans of action to ensure that secondary industries in this country will effect the transition from war to peace in the most satisfactory way. These tasks raise both technical and general economic problems.

The members of the Commission are :—

Mr. J. K. Jensen, O.B.E., Chairman (also Secretary to the Ministry of Munitions),
Mr. S. F. Cochran, Mr. F. T. Merrett, Mr. H. F. Morris (also Chairman of the Tariff Board), and Mr. W. D. Scott.

The specific duties of the Commission are :—

- (a) To review and investigate the war-time development of the Commonwealth with particular regard to Government factories, particularly munitions establishments and annexes.
- (b) To recommend to the Government measures which should be taken to implement a policy of industrial development in Australia.

The Commission is seeking the advice of all Government authorities which have experience of secondary industry matters. It is receiving guidance and advice from the Tariff Board and an active liaison is maintained with the Departments of Munitions and War Organization of Industry. Where appropriate, it is proposed to establish Trade Advisory Panels representative of all sections of a particular industry to advise the Commission. This has already been done in the cases of the textile, optical and mining industries.

The Commission has appointed its own technical staff to assist it in detailed examinations to be made of secondary industries. A section of the Economic Research staff of the Department of Post-war Reconstruction is attached to the Commission. This section is engaged in examining the economic aspects of Australia's post-war production and marketing problems, the associated problems of employment in secondary industries, especially in the transition period from war to peace, the future of Australia's oversea trade in manufactured goods and the problems involved in financing industrial development.