

Legislative Assembly.

Tuesday, 16th September, 1941.

	PAGE
Question: Plant Diseases Act, fruit fly	618
Leave of absence	618
Bills: Municipal Corporations Act Amendment, 3A.	618
Workers' Compensation Act Amendment, report	618
Traffic Act Amendment, Com.	618
Reserves (No. 1), returned	622
Mental Treatment (War Service Patients), re- turned	622
Annual Estimates, Message, Financial Statement for 1941-42	622

The SPEAKER took the Chair at 4.30 p.m. and read prayers.

QUESTION—PLANT DISEASES ACT.

Fruit fly.

Mr. SAMPSON asked the Minister for Agriculture: 1, Has he noticed the statement by the chairman of the Fruit Fly Advisory Board (Mr. A. C. R. Loaring) in the "West Australian" of the 11th September, that more fruit fly inspectors are needed and, with the advent of spring, and consequent activity of the fly, does he propose to give effect to the request? 2, Is he aware that it is the practice in Perth fruit shops for unsaleable fruit, including that noticed to be infected with fruit fly, to be thrown into open receptacles, and later on taken away by pig farmers and fed to their stock? 3, Realising the grave danger thereby of the further distribution of fruit fly and possibly other fruit pests, will he take steps to ensure that such fruit is placed in fly-proof containers and collected not less frequently than twice weekly and incinerated? 4, In view of the impossibility of his giving his close personal attention to fruit fly matters will he give executive authority to the Fruit Fly Advisory Board?

The MINISTER FOR AGRICULTURE replied: 1, Yes. 2, It is known that certain refuse is fed ultimately to pigs, but the usual practice is for such refuse to be "cooked" before being fed. 3, It is proposed to watch closely the disposal of fruit affected with fly during the coming spring. The method of control is being considered by the Fruit Fly Advisory Board. 4, The statement in the first part of this paragraph bears no relationship to the question.

LEAVE OF ABSENCE.

On motion by Mr. Wilson, leave of absence for two weeks granted to Mr. Fox (South Fremantle) on the ground of ill-health.

BILL—MUNICIPAL CORPORATIONS ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Report of Committee adopted.

BILL—TRAFFIC ACT AMENDMENT.

In Committee.

Mr. Marshall in the Chair; the Minister for Works in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Amendment of Section 9: Periods for which licenses may be issued.

Mr. DONEY: I move an amendment—

That the following paragraph be added to Subsection 2 of proposed new Section 9:—"Or (f) in respect of a trailer, for such period, not being less than one month or greater than three months from the date on which the application is made."

My amendment would make it possible for licenses to be taken out from any date for one month, two months, or for three months. It would meet the convenience, and the pocket mainly of farmers, though it would apply also to several other classes of toilers in the outer areas, to jobs such as the cartage of wheat or super from the nearest siding, or any other similar transport jobs. It would also meet the requirements of farmers going on holidays. Frequently camp equipment is a little too much for the capacity of a car and it is found convenient to take a trailer. Other jobs require attention, not all the year round or at the beginning of any half-year or any quarter, but at some particular date according to the nature of the weather, but seldom for longer than three months. They are seasonal jobs, and there should be a seasonal license to meet the situation. As matters stand now, a six-months' license has to be taken out, or if the amending Bill becomes law a three months' license. It is wrong that the farmers and the others I have indicated should be forced to take a

three-monthly or six-monthly license when the period for which the car would be used would, in some cases, be only one month and in others two months and three months.

The MINISTER FOR WORKS: This clause is very generous and is entirely different from the existing Act. There might previously have been some grounds for the amendment, but the proposed section provides for a license for a full year, a half year, or a quarter, and for new licenses, for periods less than that—for a month. If a car were bought a month prior to any licensing period it could be licensed.

Mr. Doney: That would be one month plus the period following, which would be either four months or seven months.

The MINISTER FOR WORKS: No. This is where a new vehicle is purchased prior to the conclusion of the licensing period. Previously if a car were bought in June it would be licensed for the period, but now it need only be licensed for one month. This is all in favour of the person licensing, and the licensing authority will lose considerably by it. There is sufficient accommodation contained in this clause at present. The amendment is not worth while. To enable a person to license for one quarter is very generous treatment, and sufficient accommodation. Now the Bill provides for a quarterly license there can be no good ground for inserting this amendment. A quarterly license would accommodate the case put up by the hon. member for wheat carting. The licensing period will now be from the 1st July to the end of September; from the beginning of September, October and November. I oppose the amendment.

Hon. C. G. LATHAM: The amendment would be of advantage to the farmer who does not use his trailer more frequently than to cart his wheat to the siding and his super back to the farm. In order to do this, he would have to take out a license for six months to cover the last quarter of one year and the first quarter of the next year, because wheat-carting starts in December and extends to January. The amendment merely seeks to provide for a three months' license except that the period may not coincide with recognised quarterly periods. Provision for a three months' license to begin at any time would be satisfactory.

Mr. Withers: And allow the farmer to use his trailer for the whole year on payment of a three months' license?

Hon. C. G. LATHAM: Nothing of the sort; he would probably have no need to use his trailer during the remainder of the year. If horses and wagon were used to cart the same quantity of wheat, the license for the whole year would be only 30s., and that type of vehicle would do more damage to the roads. I believe that the road boards approve of the amendment, and they are the one who would lose by the concession. The position of the farmers is desperate. True, there is a guaranteed price for a limited quantity of wheat, but we must keep costs down to a minimum. We cannot afford to have farmers leaving their holdings. Marketing will be the great difficulty. The storing of wheat is a serious problem because of the loss by weevil infestation.

Mr. RODOREDA: I hope the Minister will see his way to accept the amendment which is only reasonable. A few years ago I introduced a somewhat similar amendment to apply to trucks in the North-West, and the Committee agreed to the granting of a license for the last quarter of one year and the first quarter of the next year because of the seasonal nature of the occupation. The same principle applies here. I regret that the Minister did not alter the whole system of licensing to apply to any period from the date of issuing the license. To adhere to the recognised quarterly periods is archaic. In other States the fixed period is not observed.

Hon. C. G. LATHAM: Western Australia is about the only State in which the fixed period is adhered to. The system of licensing cars could be applied to trailers. A trailer license issued, say, in November could be of distinctive colour and bear the numerals "11" to indicate the month of issue.

Mr. DONEY: Contrary to the statement of the Minister, the clause does not meet my request. I want provision for a monthly license, and the Bill stipulates nothing less than a three-monthly license. My amendment is based on the principle that the licensee should be required to pay for neither more nor less than he receives. I draw the Minister's attention to the fact that, as the Bill now stands, it would be seldom or never that a three-monthly license could be availed of. It might quite easily be necessary to take out a license towards the end of a quarter and renew it the following quarter, and thus the owner would pay the fee for

a six-monthly license to do perhaps a couple of months' work.

The MINISTER FOR WORKS: For what months does the hon. member want a license?

Mr. Doney: The Minister knows the months taken up with wheat carting.

The MINISTER FOR WORKS: They vary in this State.

Mr. Doney: That is the reason I could not state a specific date.

The MINISTER FOR WORKS: The suggestion is not a good one, despite what was said in its favour by the member for Roebourne, because in this State we have 150 licensing authorities. Are we to have different colours and numbers for each? Bear in mind that the licenses are interchangeable; the license for one district entitles the owner of a vehicle to use the roads in another district. This would make the policing of this law exceedingly difficult. Now it is sought to introduce a fifth term, what one might call a universal joint because it will fit anywhere. I was trying to get the member for Williams-Narrogin to state the months for which he thought a license would be required. At present, a license must be taken out for half a year; thus it might be necessary to obtain a license for a full year to do wheat carting which might take two months.

Mr. Doney: Did I say that?

The MINISTER FOR WORKS: No; I am saying it.

Mr. Doney: You said that I said it; I say I did not.

The MINISTER FOR WORKS: If the period of such carting were from November to the end of January, under existing circumstances it would be necessary to take out a license for a full year. The Leader of the Opposition said that country road boards wanted this amendment, but it is very hard to find out what those boards do want. Some have asked for a 50 per cent. reduction; others for a 25 per cent. reduction; but now they are waking up and objecting to any reduction. The boards have not told me what they want. The fact is they do not know themselves. I do not propose to agree to anything that will further whittle away their revenue or, alternatively, make it more difficult to police the law. This matter does not affect the Government; but it does affect local governing bodies. In fact, the road boards would now like to see the Bill

dropped, despite the agitation for it.

Hon. N. Keenan: Why not drop it?

Mr. Doney: Do not press the Minister too far in that direction.

The MINISTER FOR WORKS: We will not drop it.

The CHAIRMAN: I remind the Minister that we are dealing only with the amendment, not with the Bill.

The MINISTER FOR WORKS: I am sorry, Mr. Chairman, but I was led away while trying to protect local authorities who will not stand up and protect themselves. If the amendment is accepted an army of inspectors will be required to police the law, and members are aware that most country road boards depend upon their secretary, who is a busy man, to do that work.

Mr. Mann: He knows most of the owners.

The MINISTER FOR WORKS: Yes.

Mr. Mann: And he collects the fees.

The MINISTER FOR WORKS: No, not all. The Osborne ward at one time collected its own fees, but when the police took over the collection the percentage increased enormously.

Mr. Mann: We find the country secretaries quite capable.

The MINISTER FOR WORKS: The Commissioner of Police recently went inland and passed seven unlicensed vehicles. I ask the Committee not to make it harder for road boards, as will be the case if the amendment is passed. The matter is of considerable importance to local authorities.

Mr. SEWARD: I support the amendment. It is over 12 months since I received applications to secure some amendments on these lines. In regard to what the Minister stated, farmers have to take out a half-yearly or yearly license under the Act as it stands in order to cover two or three months' work. Wheat carting starts in November or December and goes on until January or February.

The Minister for Works: That is reduced by half under this Bill.

Mr. SEWARD: That brings it to a half-year, but it is still a big amount to pay when a vehicle will be used for only two or three months. The Minister referred to unlicensed vehicles. I know a member of a road board who was summonsed by the road board because he did not take out a license for his trailer. That led to bitter feeling because the man felt he had right on his side. As the Minister has pointed out, we are

making provision only for licensing for a stipulated quarter. There is no provision for covering a period falling within two quarters. That is the object of the amendment, which is designed to give a man an opportunity to take out a license to cover a period extending from December to February. Another factor that will have an important bearing on the matter this year will be petrol rationing. Farmers cannot get petrol-driven trucks to do their wheat carting, and many of them desire this amendment in order that they may use rubber-tyred tractors with trailers behind them. They will need to license the trailers for only four months at the outside. There will not be much difficulty in policing the amendment. As the member for Beverley pointed out, practically every road board secretary knows every man in his area who has a license. I hope the Minister will give consideration to the amendment.

Mr. DONEY: The Minister's remarks seem to suggest that in some strange way this amendment would have the effect of putting a lot of unlicensed vehicles on the road.

The Minister for Works: No.

Mr. DONEY: The Minister repeated that several times, but he was wrong.

The Minister for Works: You will have a number of different signs every quarter.

Mr. DONEY: That is a different matter.

The CHAIRMAN: The hon. member had better address the Chair.

Mr. DONEY: The Minister says the road boards do not know where they stand in this matter, and I am inclined to agree; but, while I am only too glad to present the views of road boards we have to remember that we are here also to express the views of car users. The Minister said it would be difficult to police the amendment. I agree with that also, but I take it that the question we have to resolve here is not whether an amendment is difficult to police but whether it is fair and desirable.

Mr. WATTS: Last year the Minister received a communication from me in reference to this subject, especially in regard to the pulling of wagons as trailers behind rubber-tyred tractors. He was good enough to exercise power he has under the Act to authorise local authorities concerned substantially to reduce the amount farmers were obliged to pay. For that action the local authorities and the people who had to take

out new licenses were grateful. Had the Minister not exercised that authority and given the local authorities power to reduce the amount, a man pulling a five-ton trailer behind a rubber-tyred tractor would have been called upon to pay a license of £18 a year. The cost to pull a waggon behind horses would be about 38s. or 40s.

Hon. C. G. Latham: Thirty shillings.

Mr. WATTS: At any rate, under £2. Under this Bill, in order to cope with seasonal requirements from December to the end of February a farmer would have to pay a license fee of £9 for six months. Even supposing the fees were halved, the payment would amount to £4 10s., and that is a big sum to pay, representing the proceeds from a substantial number of bushels of wheat. That position has prevailed under the Act as it stands and the effect has been that a great number of men have not used their vehicles and therefore the local authorities have not collected license fees. Alternatively, farmers have tried to sneak into the sidings away from the centres of population with a load or two of wheat, and again the local authorities have been deprived of revenue.

The Minister for Mines: They would not do that!

Mr. WATTS: It is as well to speak the truth at times. I remember one case in my own district, and the reason given by the farmer was that he was required to pay £9 for a license and only wanted to use the vehicle for a couple of weeks. He did not take out a license because he could not pay for it. Many farmers cannot pay a substantial amount like that, especially as they have to pay it before they have received any return from their wheat. The local authorities will be more likely to receive revenue if short-term license fees can be arranged. The amendment applies only to trailers. Remembering the Minister's attitude in the matter a year or two ago, I hope he will be prepared, if this amendment does not suit him, to devise one that will serve the same purpose.

Mr. RODOREDÁ: Whether we are giving the motorist a fair go and not the revenue of local authorities should be our chief consideration in this case. This principle has been admitted in the Bill because the Minister has allowed a new vehicle to be licensed for one-twelfth of a year. Why the difference? Why should not a man whose vehicle has not been licensed for a period

also get the benefit of one month's license when he wants it? The Minister admits that the present system of quarterly licensing is wrong. But now when a similar question is raised by this amendment, he says the road boards will be deprived of funds. The whole Bill has that effect. If that argument is to be applied, the Bill should be dropped. He said a lot more difficulty would be experienced with the 150 local authorities in this State than in other States where there is only one authority. That difficulty exists under the Act as it stands. Where there is an inefficient or indifferent road board secretary people will dodge the payment of a six months' or 12 months' license fee. He also said there would have to be different coloured discs. There would be no need for that. A man licensing a trailer in December would require a disc for that quarter, the same as every other person licensed for that quarter. The majority of the local authorities will see that the Act is policed. They do so now. I hope the Minister will give further consideration to the amendment.

Amendment put, and a division taken with the following result:—

Ayes	..	..	..	24
Noes	..	..	..	19
Majority for	..	..	..	5

AYES.

Mr. Abbott
Mr. Boyle
Mrs. Cardell-Oliver
Mr. Collier
Mr. W. Hegney
Mr. Hill
Mr. Keenan
Mr. Latham
Mr. Leaby
Mr. Mann
Mr. McDonald
Mr. McLarty

Mr. North
Mr. Rodoreda
Mr. Snunpson
Mr. Seward
Mr. Stubbs
Mr. Thorn
Mr. Triat
Mr. Warner
Mr. Watts
Mr. Willmott
Mr. Withers
Mr. Doney

(Teller.)

NOES.

Mr. Berry
Mr. Coverley
Mr. Cross
Mr. Hawke
Mr. J. Hegney
Mr. Hughes
Mr. Johnson
Mr. Kelly
Mr. Millington
Mr. Needham

Mr. Nulsen
Mr. Pantou
Mr. Raphael
Mr. Shearn
Mr. F. C. L. Smith
Mr. Tonkin
Mr. Willcock
Mr. Wise
Mr. Wilson

(Teller.)

PAIRS.

AYES.
Mr. J. H. Smith
Mr. Patrick

NOES.
Mr. Holman
Mr. Fox

Amendment thus passed.

Progress reported.

BILLS (2)—RETURNED.

- 1, Reserves (No. 1).
- 2, Mental Treatment (War Service Patients).
Without amendment.

ANNUAL ESTIMATES 1941-42.

Message.

Message from the Lieut.-Governor received and read transmitting the Annual Estimates of Revenue and Expenditure for the financial year 1941-42, and recommending appropriation.

FINANCIAL STATEMENT 1941-42.

In Committee of Supply.

The House resolved into Committee of Supply to consider the Estimates of Revenue and Expenditure for the year ending the 30th June, 1942, Mr. Withers in the Chair.

THE PREMIER AND TREASURER

(Hon. J. C. Willcock—Geraldton) [5.22]: I wish to submit for the consideration of the Committee a review of the financial operations of the Consolidated Revenue Fund for the year ending the 30th June, 1942, and also to deal with the financial operations of the year 1940-41.

Western Australia's Difficulties.

This is the sixth occasion since I became Treasurer that it has fallen to my lot to prepare the Budget. The present is a time of stress and difficulty for all State Treasurers, but I think I may be pardoned for saying that it is a particularly severe period for the Treasurer of this State. On previous occasions I have dealt at some length with the economy of Western Australia and its relationship to the economy of Australia as a whole, and members are to some extent acquainted with the problems that confront us. The difficulties we have had to face in the past, owing to our being principally a primary-producing State in a Federation of States where the industrial development has been concentrated in two or perhaps three of the six States, have not been eased by the war.

The War and Its Effects.

A war is a time of great upheaval, and changes result which in many cases have last-

ing effects. Progress in some directions is accelerated; in others, it is entirely stultified. I think it is true to say that no war has left untouched the economic and social life of the people involved. I am equally certain that this war will have the same effect. We have only to cast our minds back to the days prior to the 1914-18 war to realise the changes that war made in the life of Australia.

Prior to 1914 Australia was more or less a primary producing country. During the war the contributions which Australia made were mostly in the form of men for the fighting forces and foodstuffs for Great Britain and its Allies. Since 1918 Australia has made remarkable strides in industrial development, but that development has not been uniform throughout the Commonwealth.

Since the commencement of the present war in 1939, progress towards greater industrialisation has been hastened and at present Australia is producing war equipment, and other equipment necessary for the war effort, which were undreamed of in the pre-war days. Naturally the centres best equipped for the expansion of industrial development were used first, so that today we find in the Eastern States of Australia plants suitable for the manufacture of war materials have expanded considerably.

Problem of Man-power.

For a few years before the war, perhaps one of the greatest problems which Australia had to face was to find employment for the large number of men who, but for Government relief works, would have been unemployed. We now find that the demand in Australia is for more men to fill the ranks of those required for a continuance of the war effort.

How much of this industrial expansion will be permanent? At this stage no-one can foretell, but I think it may be confidently anticipated that a large part of it will be permanent in Australia. The problem, therefore, which faces those charged with the government of this State is to see that in this rapid expansion of industrialisation, the claims and needs of Western Australia are not overlooked. Though we have had some share of the Commonwealth defence work our portion is not as great as that enjoyed by, I should say, most of the other States. South Australia, which prior to the war was showing signs of retrogression, is now a hive of

industry. The great demand in that State is for more labour to fill the factories which are rapidly being erected there.

Disturbing Factors.

Some of this work may not prove of lasting benefit, because it is obvious that many people who have been taken away from employment which was precarious and not well paid, and find themselves engaged on work which is perhaps more congenial and much more remunerative, will find it difficult, when the war is over, to revert to their normal mode of living and employment.

One of the disturbing results of the war as affecting Western Australia has been that much of our primary produce has been robbed of export markets, and that our economy has not been replenished by sufficiently large quantities of secondary industry work to counterbalance this loss. There is no need for me to assure the Committee that no effort will be spared by the Government to see that in this march towards greater industrialisation, Western Australia is not overlooked.

Prior to the outbreak of war, the Government had established a new department—the Department of Industrial Development—charged with the duty of encouraging in every possible way the establishment of manufactories in this State. Much good work has been done by that department. I will not trespass on the functions of my colleague, the Minister for Industrial Development, who will have an encouraging story to tell when he deals with the activities of his department.

This State has many of the raw materials required to make us a highly industrialised community. We must see to it, therefore, that these resources are used to the best advantage in the war effort, and are used in such a way as to result in a lasting benefit to our economic life.

Contracts for War Supplies.

As a result of unremitting pressure on the Commonwealth Government, I am pleased to say, we have induced that Government to establish a small arms factory in this State, as well as to place substantial orders for war supplies with local businesses and Government departments. Though for obvious reasons details of the contracts cannot be made public, I have been informed by the Commonwealth that contracts for work in

this State total in value the substantial figure of £5,500,000.

Hon. N. Keenan: In one year?

The PREMIER: No, we did not do much in the first few months of the war period.

Hon. C. G. Latham: Is that the total value of the contracts let in this State?

The PREMIER: Yes, according to the Commonwealth Government. That, of course, does not cover other operations that have been of benefit to local trade. It does not include, for instance, the manufacture and export of condensed milk and other commodities, because the Commonwealth Government has had nothing to do with them. But from the Commonwealth Government itself and in connection with the war effort, contracts to the extent of £5,500,000 have been let within this State. We have also received a visit from the Director of Munitions, Mr. Essington Lewis, who has been impressed with the potentialities for the war effort which exist here.

Western Australian War Industries Committee.

As a result of our representations, and with a great amount of assistance from Mr. Curtin, Leader of the Federal Labour Party, a committee was appointed by the Commonwealth Cabinet to investigate the possibilities of using to a greater extent the resources of this State for war supplies; and a very informative report has been submitted by that committee, containing what I consider to be most useful and helpful suggestions. The Commonwealth Government has now intimated that action will be taken in regard to the representations made by the committee, and from conversations I have had with the Prime Minister and the Federal Treasurer I feel sure that we shall be able to play no small part in the war effort. What the Government proposes to do in regard to equipping the various factories in this State to make a bigger contribution to the requirements of the Commonwealth will, I think, come more fittingly in the discussions on the Loan Estimates; but I wish at this stage to reassure members that the Government is fully alive to the need for action and that every possible action is being taken.

Difficulties of Treasurer.

As I have already stated, the difficulties of the Treasurer of this State are very real. On account of the Commonwealth's very

urgent need for the conservation of all possible funds for the prosecution of the war, it is not possible for a State Treasurer to exploit the sources of revenue which might be available to him under peace conditions, in order that he might do those things which he feels are justified and in many cases are really urgent. Rising costs, due to increases in the basic wage and the expansion of the Commonwealth's social services in the field of child endowment, have thrown very heavy burdens on the finances of the State, and moreover have thrown those burdens on us at a time when we can take very few measures to ease them.

I find myself in the unenviable position of having to bear severe restriction in the expenditure of loan money, with a consequent curtailment of the amount allocated to the State by way of loan for deficit, with no means of increasing revenue, while at the same time meeting steadily rising expenditure. Obviously the only course open to the Government is to make insistent demands for the establishment in this State of factories, and for the fullest use of the existing factories in the war effort, so that the whole of our people may be gainfully employed.

Report of W.A. War Industries Committee.

In this connection, may I say, a committee was appointed by the Commonwealth Government, and that a highly informative report has been prepared by that committee, one which I consider to be most useful and containing many helpful suggestions. I regret that the report has not yet been made public, so that members could have had the information supplied in it and also be aware of the recommendations made. But that is not the fault of this Government. We are anxious for the fullest publicity to be given to the report and also, in fact, to the evidence laid before the committee. But it was thought by the committee and by the Commonwealth Government and its representative here, Senator Collett, that many phases of the report relating to war purposes are such as it is not desirable to make public at present.

Mr. Berry: You have the report?

The PREMIER: Yes. I was just about to say that I have had from the Prime Minister, Mr. Fadden, a telegram only during the last few days stating that the Commonwealth Government in principle has adopted

the report. One recommendation with regard to which I believe I shall be absolved from secrecy is the establishment here of what is to be known as the Western Australian War Office Commission. As Mr. Fadden states that the Commonwealth Government has adopted that recommendation in principle, I believe that before long instructions will be given for the publication of the report subject to the excision of a few matters which it is deemed inadvisable to make public at this stage. I am hopeful that when the report is received I shall be able to distribute copies amongst members, and further that we shall be able to give full publicity to the report, whereupon we shall ask Parliament and the people to see that the recommendations are carried into effect.

The Year 1940-41.

The year just closed finished with a surplus of £11,111, as compared with an anticipated deficit of £166,697. The improvement was therefore £177,808. This improvement was made up as follows:—

	Estimated. £	Actual. £	Increase. £
Revenue	11,217,152	11,432,068	214,916
Expenditure	11,389,849	11,420,957	37,108
Net benefit .....	.....	.....	£177,808

I hope I may be pardoned for expanding somewhat on the financial results secured last year. I am sure it will interest members to know that last year's surplus was the seventh we have enjoyed since the establishment of Federation. Four of these surpluses occurred in the first eleven years of Federation. Looking back at the figures for these first eleven years I found what I think is a most significant fact. The four surpluses total £632,428, while the seven deficits total £631,501. As members know, the financial relationships which existed between the Commonwealth and the States were different in those days from what they are today. In those earlier years we enjoyed our share of the Customs revenue of the Commonwealth, in addition to which, for the first five years of Federation, we imposed Customs duties on imports from the Eastern States; and it was only after the cessation of that method of distributing Commonwealth revenues that the financial deterioration in our budgetary position became continuous and marked. I know that the member for Nedlands (Hon. N. Keenan) gave a great deal of consideration to what took place at that time, when he took the responsibility of the preparation of the

State's case as to Federal disabilities. I am not reminding the hon. member of these things, but am giving information which I hope will be of interest to the Committee generally.

Revenue Surpluses.

Since the financial year 1911-12 we have had only three surpluses, one in 1926-27, when we had a small surplus of £28,245; the second in 1935-6, when the surplus was £88,378; and last year, when the surplus was, as I have already stated, £11,111. Though the third surplus is only a small one, I am sure we are all gratified at the result. In case members are curious to know how we achieved such a remarkably symmetrical result, I hasten to assure them it was not intentional. Before passing from the subject of surpluses, I hope I may also be pardoned for commenting on the fact that the three surpluses enjoyed since 1912 have all been secured by Labour Governments. The member for Boulder (Hon. P. Collier) was Treasurer during two of the years in which surpluses were obtained. I trust I may be permitted to mention that three of the four surpluses were secured when Labour Governments were in office.

Factors Contributing to Surplus.

I have no desire to weary members with minute explanations of the details making up last year's result, but I would like to refer in general terms to the factors which contributed to the surplus. Taxation collections showed an increase of £134,000 above the Estimate. The details are as follows:—

Particulars of Tax.	Increase. £	Decrease. £
Land Tax .....	.....	2,037
Income Tax	59,400	.....
Financial Emergency Tax	40,288	.....
Dividend Duty	837	.....
Gold Profits Tax	5,833	.....
Totalisator Duty	8,423	.....
Stamp Duty .....	.....	14,933
Probate Duty	15,006	.....
Entertainments Tax	11,002	.....
Licenses—Liquor	10,848	.....
Other .....	.....	263
Net Increase	£133,904	.....

The most substantial increases were those secured under Income and Financial Emergency Tax, amounting to nearly £100,000. In view of the much greater yield of the new tax system as compared with our Estimate, members may think that I was very much astray when I intimated at the time of the introduction of the new tax system that it

would yield us no more than the existing taxes—namely, income and financial emergency tax.

Improved Statistical System.

I can say, however, that my statements have been well borne out; in fact it has been possible, thanks to the improved method of keeping statistics in the Taxation Department, to check up very accurately the effect of the new tax as compared with what would have been yielded under the old system. I particularly asked the Commissioner of Taxation to go into the whole question and furnish an estimate of the resultant effect. He said it would be £30,000 or £40,000 less. From close investigation of all the assessments which have been paid, the department now states that had the old system of taxation remained in force the result would have been about £20,000 greater. Investigations show that out of a total of approximately £2,000,000 which would have been yielded by the old tax based on the income year 1938-9, the new tax system would have yielded about £20,000 short of this amount. A satisfactory feature of the new system, to which I drew attention when introducing the legislation for its establishment, has been that it has brought into the taxation field people who previously evaded payment of taxation. The collection of tax at the source has brought into the Treasury money which otherwise would not have been forthcoming, and to the extent of these collections the new system has proved to be more lucrative than the old one.

Issue of Assessments.

Another factor which has to be taken into account in considering last year's collections, however, is that the number of assessments issued by the Taxation Department was very much in excess of the assessments issued in the previous years. The following figures will prove of interest. For the assessment year 1938-39 slightly less than half of the assessments due for that year were issued during the year. In the next year, 1939-40, 83 per cent. of the current assessments were issued during the year, and last year 90 per cent. were issued.

Last Year's Tax Collections.

It will be seen, therefore, that the collections of income tax last year were not due entirely either to the new system or to the in-

creased taxable capacity of taxpayers, but were due to these two factors plus the acceleration in the rate of issuing assessment notices. One effect of this acceleration, which will be felt this year, is that there are smaller arrears of assessments still to be issued, thereby decreasing the estimated collections of tax this year.

We have been making up the leeway in respect of outstanding balances. In this year we picked up well over £100,000, which was more than responsible for the surplus. The surplus came last year from the amounts of outstanding taxes that were due from the year before but were not then collected. We have reached a stage where during the last financial year we got out 90 per cent. of the assessments. It all depends to an extent on how soon the Income Tax Bill is passed. If it is passed early, the Taxation Department can get out the assessments. I hope to introduce the Bill early so that the department may have an opportunity to send out the assessments. Although it does not make such a very big difference now that we collect a fair amount of our income taxation at the source, it will make some difference. If we slip with respect to the issuing of assessments our taxation receipts, particularly in the case of those who pay on assessment instead of at the source, may go back to the extent of £100,000. We would need to be only one month behind to lose £150,000. It is important from the standpoint of getting the money in during the year when it should be paid, that the assessments should be got out early.

Revenue Figures for 1940-41.

Continuing with the review of last year's revenue figures: Territorial Revenue was approximately £13,000 in excess of the estimate, due to increased sales of timber, which were offset to a slight extent by a decrease in the revenue from mining. This decrease was the result of a reduction in lease rents due to the mining activities becoming more stable. Treasury Revenue showed a decrease of £70,000, the principal item contributing to this reduction being the failure of Parliament to pass the amendment of the Traffic Act permitting the transfer of £75,000 of motor license fees to Revenue. Agricultural Bank interest collections were also below the estimate by £9,000. Members will recollect that last year was a

bad season; indeed it was said to be the worst season we have had since 1914. At that stage, therefore, we could not expect to get in much by way of Agricultural Bank interest, and that accounts for the decline of £9,000.

As against these decreases we secured more revenue from the State Saw Mills, which on account of an improved cash position were able to repay £6,800 of revenue capital. Our share of the profits from the operations of the Savings Bank was £6,000 above what we estimated.

Other Departmental Revenue.

Other departmental revenue showed an increase of £11,000, due largely to additional revenue earned by the Public Works Department by way of refunds from the Commonwealth Government for salaries of technical officers engaged on work done by the State for the Commonwealth Government. Technical officers are paid out of revenue, and when we lend them to the Commonwealth Government their services are paid for by that Government.

The Royal Mint had a satisfactory year, and returned £17,000 more revenue than was expected. This increase was the result of the Mint having to undertake the coinage of a large number of coppers for the Commonwealth Government. We have secured another contract for the coming year for a considerably greater volume of copper coins than we turned out last year.

Trading Concerns Revenue.

Trading Concerns revenue was £19,500 below the estimate. The State Brick Works, which were estimated to pay £2,690 interest and sinking fund charges, were unable to make any contribution towards this charge. Just after the commencement of the war there a serious drop in activity in the building trade, with a consequential drop in the demand for bricks. Since then, however, sales have improved, but the year 1939-40 was a poor one for the brick works. In addition to a fall in sales, production costs increased by the rise in the basic wage.

State Hotel profits were about £5,000 below the estimate of £8,000, accounted for by the fact that the rise in excise duties was not fully recovered in the sale prices. The Commonwealth Government increased

the excise duty on all beer, spirits, tobacco and many other things. Other people, however, did not increase their prices to the same extent, and therefore did not fully recover the amounts that were paid out in excise.

The State Implement Works paid £2,000 in interest and sinking fund charges, as compared with an estimate of £8,000. The implement works are mainly Government repair shops, and the interest charges are recovered only when the cash position enables them to be taken. This year the implement works are very busy, and a much better year is anticipated. The State Quarries had a poor year, and interest charges of £2,000 which were in the estimates could not be recovered. Fortunately the Wyndham Meat Works had a very successful season.

Public Utilities Revenue.

The revenue from Public Utilities was £121,600 above the estimate. With the exception of the Fremantle Harbour Trust and the State Batteries all the utilities showed an improvement on the estimated position. The Fremantle Harbour Trust was £28,000 below the estimate, due to a reduction in overseas shipping on account of restrictions arising from the war.

The State Batteries were £11,000 below the estimate. This was brought about by a decrease in the quantities of crushings received from the smaller workings. As members are aware, there is a great scarcity of labour in the mining industry, and many men who were hitherto prospecting have obtained employment with the mines or have enlisted. Nowadays, owing to activity in the mining industry, labour can find profitable employment. Many persons who were prospecting, and made a more or less precarious living, are now in a position to obtain lucrative employment in the mines; and largely because of that not so much gold is now being treated at State batteries. The Goldfields Water Supply improved its earnings by £37,700. The Metropolitan Water Supply was £7,000 better than was expected.

Railway Revenue, etc.

Railways receipts were £74,000 above the estimate, but this improvement is inflated to the extent of £28,700 arising from the sale of certain old locomotives to the Commonwealth Government. These locomotives

were sent to Darwin, being required there owing to increased activities at that port. The Commonwealth Government wanted locomotives which were of the same gauge as that used in the Northern Territory and would be suitable for its purposes. It was not economical for us to use them, and they were therefore sold to the Commonwealth Government. The money received from the sale of these engines was utilised for the purchase of equipment for new locomotives and both sides of the Railway accounts are increased by this amount—the receipts side by proceeds of the sale of the locomotives and the expenditure side by the transfer of the money thus received for the purchase of equipment.

The Tramways improved their position by £22,500; an indication of the effect of petrol restrictions on the use of private motor cars. Electricity Supply showed an increase of £6,000, due to extension of mains and increased business made possible by the new unit which was installed a few years ago. The other Public Utilities, consisting mainly of Hydraulic Undertakings and Metropolitan Abattoirs, bettered their budget estimate by £13,000.

Returning to the expenditure side: the net increase in total expenditure was, as I have already stated, £37,108. Expenditure under Special Acts showed a very slight decrease of £3,700 on an estimate of £4,500,000.

Saving of Interest.

A saving of £18,000 on the provision for interest was almost offset by an increase of £15,000 under other Statutes, the main item being an increase of £11,000 in the amount transferred to the Reforestation Fund. Members are aware that the revenue from timber is divided on the basis of 2-5th to revenue and 3-5ths to the Reforestation Fund. An increase on the revenue side results in an increase on the expenditure side under Special Acts through an additional amount being transferred to the Reforestation Fund.

Pensions and Retiring Allowances.

The payments for pensions and retiring allowances were greater by £4,000 than we anticipated. Last year we estimated to pay £136,000 for pensions and retiring allowances, which was approximately the amount paid in the preceding year. The actual payments were £139,992. When I introduced the Superannuation and Family Benefits

Act in 1938, I intimated that I thought the payments under the Superannuation Act of 1871 had just about reached their peak and from then on could be expected to decline. Unfortunately my anticipations have not been realised, because pension payments have been steadily rising and the payment last year was the highest so far made.

One consolation I can find as Treasurer is, however, that the rate of increase is lessening; and I have hopes that if the peak has not yet been reached we are not far short of it and, at the worst, in a few years may expect a decline. Any public servant who joined the service not later than the 1st April, 1905, became eligible for pension under the 1871 Act. Only those people who are now retiring and have been in the Public Service for more than 35 or 36 years will become eligible for pensions. I think that next year, or the year after, this expenditure should have declined. That, however, would be more than made up by the additional obligation we have undertaken with regard to the Superannuation Act passed a year or two ago.

Governmental Expenditure.

Under the heading of Governmental there is a net increase of £48,000. This result was brought about by a number of increases and decreases, the principal increase being an amount of £123,000 under the Treasury Department. The items contributing to this substantial increase were the transfer of £45,000 to the bank account of the State Shipping Service to liquidate an accumulation of losses, and the transfer of an additional amount of £30,000 to the Trust Account for the liquidation of the Agricultural Land Purchase Debentures. These debentures were issued in connection with repurchased estates. It frequently occurs to me in my work as Treasurer that a Treasurer inherits a number of legacies, some good and some bad. I always feel that when I inherited the liability to pay off the debentures on the Agricultural Land Purchase Estates I had to accept the responsibility of a very substantial liability.

Financing Estate Purchases.

Members know that the idea behind the purchase of the estates was that the debentures issued for the purchase of the land were to be redeemed by the rents secured from the holdings into which the estates had been

divided, and which would meet the liability for these debentures when they mature. In theory the proposition is quite sound, but unfortunately, in the earlier years of the management of the estates, rents were paid into Consolidated Revenue. No doubt some needy Treasurer concluded that as the liability was a long way off and his need for additional revenue was urgent, he could safely leave the burden of the redemption to posterity. Unfortunately, again, in the case of some of the debentures we are posterity; and I am faced with the liability of finding very substantial sums for the redemption of these debentures.

Had the Treasurers in the years gone by put the money into the trust account for this purpose, we would have been all right; but we have got very seriously behind, and last year, having a surplus, I considered it very wise to allocate a further £30,000 to this fund to meet our liabilities when they occur. Within the next eighteen months, or even less than that, we shall have to meet a very large liability in the repurchase of the Yandanooka estate. I am not sure of the figure, but I think it is well over £100,000. We have the satisfaction of knowing that we are now making provision for the redemption of these debentures in a legitimate way by setting aside revenue for that purpose. If I had put the usual amount of money into this fund, we would have been £30,000 better off last year; but I considered it wiser to make provision to meet this liability.

Superannuation and Family Benefits.

Another item contributing to the increase under expenditure in the Treasury Department was an amount of £26,700 which was transferred to the Superannuation Fund to assist the Hospital Fund to meet the share of the employer's contribution to the Superannuation Fund. It will be remembered that two years ago the Superannuation and Family Benefits Act was amended to enable employees of Government hospitals to become contributors to the fund.

As members know, the employee pays only a part of the contribution necessary to pay his pension. The arrangement is that the Government meets its share of the pension when the officer retires, and does not make a contribution to the fund on a pound for pound basis with the employee. Those due for pensions under the Act have to pay into the fund at the time. The State, on the other

hand, meets its liability when the pension becomes due. That is why our increase under the Superannuation and Family Benefits Act this year will go from over £40,000 to over £80,000.

Hon. C. G. Latham: All in a good cause.

The PREMIER: By the amendment Act, however, it was provided that semi-governmental bodies and others, such as hospitals, brought under the Act should pay to the fund the balance of the annual contribution not paid by the employee. On account of the lapse of time from the proclamation of the Act in 1939 until last year, when the hospital employees were admitted, there was a fairly substantial sum in arrears, representing the employer's contribution from the various hospitals. The Hospital Fund was not able to meet the whole of this liability, and assistance was given to it from Consolidated Revenue.

Special War-caused Expenditure.

Expenditure under the heading of Special Expenditure owing to war conditions exceeded the estimate by £12,000. Most of this sum represents concession rail fares to soldiers. It was felt that it was not right to show this concession as a liability to the Railway Department, and for book-keeping purposes it was decided to charge the difference between the concession fare and the full fare to this item in the Treasury Miscellaneous section. It arises from our being at war. We shall have to share the responsibility and show the amount as a war liability, so that we may know exactly what extra expenditure is brought about in that connection.

Hon. C. G. Latham: Did you pay that from a Treasury account?

The PREMIER: From Consolidated Revenue, yes.

Hon. C. G. Latham: Do you think it is very wise to pay full fares?

The PREMIER: We do not pay the difference; we credit the Railway Department with it.

Hon. C. G. Latham: With the full ordinary fare?

The PREMIER: No. We credit the department with the difference between the fare and the concession rate. Since about six months ago, the Commonwealth Government has made an arrangement to meet the costs.

Hon. C. G. Latham: Some of them.

The PREMIER: It has made arrangements to meet what is estimated will be a reasonable share. Even under that we have to meet a fairly large proportion of the fares paid.

Hon. C. G. Latham: They could carry these passengers very cheaply in comparison with ordinary passengers.

The PREMIER: Yes. We cannot burden the Railway Department with all these liabilities.

Mr. Warner: Does not the Commonwealth put in for them?

The PREMIER: Yes. The Commonwealth has made arrangements all over Australia for all people in military camps, whether A.I.F. or otherwise, to visit their homes on their leave once a month. For that purpose they get a free pass. It is a very cheap rate to the Commonwealth.

Mr. Warner: Is that to compensate the State's commitments?

The PREMIER: No. It meets them to some extent, of course. As the Leader of the Opposition points out, if we run a passenger train from Northam to Perth, it is very much cheaper to run a full train with all the passengers paying, than to run a train with the carriages half full. We do, of course, save money, by having all the carriages loaded to full capacity. Exchange on oversea payments was greater than the estimate by £10,000. That is a varying amount.

Departmental Savings.

Under the Public Works Department, a saving of £32,000 was made, mainly because of reduced expenditure on unemployment relief. This is particularly gratifying. We have not had to pay out much money for sustenance. As a matter of fact, I think our sustenance payments have been reduced to about nil. There are only about 30 or 40 people who are sick and cannot be employed on that account. I think there are 35 men receiving sustenance. That accounts for that drop in the Public Works expenditure.

Savings in Expenditure.

An amount of £9,700 was saved in the expenditure of the Department of Agriculture, mostly by a saving in the expenditure for destruction of locusts, when last year's Budget was prepared. The Child Welfare Department spent less than was estimated by £11,000.

Mr. Marshall took the Chair.

The Mines Department had a saving of £9,700, due to lesser total salaries on account of enlistments and to smaller payment for ore-carting subsidies. Prospectors are not as active as they were. They have received employment on the mines, and as a consequence are not carting so much ore to the batteries. The carting subsidy, which is on a very liberal scale, has not been used to such a large extent, because of that. Public Utilities expenditure was less than the budget estimate by £7,400.

New Locomotives and Sale of Old Ones.

Members may be particularly interested to know that the actual expenditure of the Railways was only £1,203 above the estimate. The estimate was £2,732,000, while the actual was £2,733,203. As I mentioned when dealing with the revenue side of the Public Utilities, the railways expenditure was increased by £28,700 due to special expenditure on new locomotives, which was made out of the proceeds of the sale of old locomotives to the Commonwealth Government. But for this transfer the Railways would have shown a fairly substantial saving. That was put in the expenditure side and raised the expenditure by that amount. It would otherwise have been about £25,000.

Electricity Supply.

Electricity supply saved £8,400, brought about largely by savings in the quantity of coal used. This is particularly gratifying, because, while we generated more electric current, the quantity of coal used is less. That it due, to a large extent, to the new unit which was put in about 18 months or two years ago. It is very much lighter on coal, and gets better results.

Hon. C. G. Latham: If the smoke nuisance from the Power House occurred in any other State, the department would be fined heavily for it.

The PREMIER: We have been able to bring about economies in coal consumption, which have benefited the State's finances to the extent of £8,400.

State Batteries expenditure was below the Budget estimate by £5,600, due to a falling-off in the quantity of crushings of ore submitted by prospectors.

Estimates for 1941-42.

I now turn to the Estimates for this year.

Hon. C. G. Latham: I was hoping that

you would have budgeted for a surplus instead of a deficit.

The PREMIER: When I mention the additional expenditure, the Leader of the Opposition will consider that if we do reach this stage, we will do fairly well.

Hon. C. G. Latham: I was hoping to see you reduce expenditure instead of increasing it.

The PREMIER: We are reducing it, and I will point out where. We are subject to certain increased expenditure which is unavoidable and inescapable, such as that brought about by Arbitration Court awards.

Hon. C. G. Latham: You applaud them. I do not see any common sense in them.

The PREMIER: They have to be paid.

Hon. C. G. Latham: Yes, but there is no common sense in them.

The CHAIRMAN: Order! The Leader of the Opposition will have an opportunity later.

The PREMIER: I do not want to make a mark in black type and use it against the Leader of the Opposition that he said, when I was discussing the Estimates, that we ought not to pay these things.

Hon. C. G. Latham: That is not true.

Estimated Deficit, £198,297.

The PREMIER: I have budgeted for a deficit of £198,297, and for the convenience of members I have had prepared a statement showing the estimated variations in Revenue and Expenditure which bring about this result. The statement is inside the first sheet of the printed Estimates and, I think, contains in a summarised form information which will enable members to see at a glance what items have been varied. The estimated Revenue is £11,527,138, and the estimated Expenditure £11,725,435.

At the recent meeting of the Loan Council, when the loan funds for this year were being discussed and allocated, we received an allocation of £200,000 for the revenue deficit. I may say that in my application to the Loan Council I asked for provision for a deficit of £250,000; but my application was reduced. I have stated the position so frequently that members are well aware of the necessity for revenue deficits being reduced and indeed, if at all possible, eliminated, in order to conserve as much of the loan funds as can be spared for the Commonwealth war effort. We do not want a deficit at all, particularly not in these times. From what

Mr. Fadden has recently had to say in the Press as to the difference of about £50,000,000 or £60,000,000 between his estimated income and expenditure, and as to the expedients he will have to adopt, all Treasurers are anxious to assist in every way by making the smallest possible inroads on loan expenditure. If all the States have deficits between them of £3,000,000 or £4,000,000, there will be that much less for the Commonwealth Treasurer to spend on war purposes.

Sitting suspended from 6.15 to 7.30 p.m.

The PREMIER: I was pointing out that it is the duty of every State Treasurer to avoid unnecessary expenditure, in order that as much possible of the money that is available may be at the disposal of the Commonwealth Treasurer for the maintenance of the war effort. Any failure on the part of the State to secure revenue, or any extravagance in its expenditure, is therefore a direct hindrance to the war effort. There is thus a very solemn obligation on State Treasurers as regards arrangement of their finances, an obligation more stringent than would obtain in normal times of peace.

Heavy Obligations.

I trust members will realise my difficulties and will give me their fullest co-operation in my attempts to achieve this purpose. We entered this financial year with some heavy obligations as compared with those to be met last year. For example, the cost of the Pay Roll Tax implementing the Child Endowment Scheme will be in the vicinity of £130,000. The additions made to the basic wage last year, part of which only was included in that year's expenditure, will mean for this year a total of approximately £234,000. On top of that added expenditure, there has been a further increase in the basic wage since the commencement of this financial year, which is estimated to amount to about £80,000. The basic wage increases granted last year and early this year represent a liability of about £314,000.

Reclassification of School Teachers.

In addition to these items the Government has to face an increased cost in reclassification of school teachers. This reclassification, which is made every five years, is due as from the 1st July last; and it is estimated that in order to make provision for the increased cost of living which has occurred

since the previous classification in 1936, as well as to bring the teachers into line with the allowances made to the officers under the control of the Public Service Commissioner, the Government will have to find an additional £85,000. We have to face also an additional expenditure of £40,000 for superannuation payments. Each year more employees are retiring, and consequently each year this expenditure increases. Members will see that these unavoidable items of additional expenditure amount to approximately £550,000.

Economy in Expenditure.

Under normal conditions these added imposts would have to be met by increased charges for the services of various public utilities and by increased taxation. The present is not a favourable time to increase charges, and we do not want to increase taxation. We want to leave the fullest possible scope for taxation available to the Commonwealth Treasurer. All that we can do is to endeavour by all possible means to refrain from incurring unnecessary expenditure. As members are aware, we have been sailing close to the wind in the matter of expenditure during the last three or four years, and are getting somewhat accustomed to doing so. As I have indicated, in view of the very heavy demands made on taxpayers by the Commonwealth Treasurer for war requirements, the State Government feels that it would not be justified in increasing taxation at present. Nor is it desirable to increase charges for services to producers. Accordingly we have decided that additional burdens will have to be met by the most careful economy in expenditure.

Increases in Basic Wage.

Regarding the increases in the basic wage, I may mention that since I assumed the position of Treasurer, these increases have cast upon me the obligation of finding annually about £600,000.

Hon. C. G. Latham: Do you think the worker is any better off for the increases?

The PREMIER: No; but the worker has little control in the matter of prices, which determine the cost of living, which in turn determines the basic wage. As a matter of fact, I believe that with the rising prices the wage earner is a little worse off; but we ought not to make him any worse off by

refusing to grant the increases which the court has decided are necessary to bring his wage to the cost of living standard.

Obligation to find the Money.

The Minister for Works: The best you can do is not to leave him worse off.

The PREMIER: That is so. While we are glad that we have a legislative enactment to prevent the worker from being made worse off, it entails upon us the obligation of finding the money to pay these increases. In commercial circles, when increased costs have to be met, the additional amount is passed on in the sale prices of commodities. But the Government is in a somewhat different position. We do not want to increase the charges for various services performed by the State, and there is a limit to the taxation we can impose. Therefore we have to face this increased expenditure.

Reduced Expenditure.

We had a small surplus on last year's operations. We cannot reduce our expenditure by £500,000; but we are doing the next best thing by reducing it to the extent of £300,000, leaving a net excess of expenditure of £200,000.

Hon. C. G. Latham: I will tell you how you can make it up.

The PREMIER: I shall be glad to have any suggestion from the Leader of the Opposition. I know that he gives very serious thought to financial matters, and if he can make a reasonably practicable suggestion for wiping out this deficiency of about £200,000 not only I, but also the Committee and the country, will be very grateful.

Hon. C. G. Latham: I shall show you how you can earn it without increasing taxation.

The PREMIER: It would be useless for me to say, "We shall increase our deficit to that amount," because we have given an undertaking to the Loan Council that if it is humanly possible, our deficit will not be allowed to extend beyond the agreed figure of £200,000.

Mr. Sampson: According to the "Daily News" tonight, the cost of living was less in August than in July.

The PREMIER: I am not very happy about the cost of living going up, because that throws the burden upon our primary

industries, and it is especially our export industries which have to bear that burden.

Mr. Sampson: The producers do not get any additional allowance.

The PREMIER: No, they do not; and therefore I am always glad when the cost of living does not rise, so that no additional wage burden is placed on the producing section of the State.

Mr. Sampson: That section is not organised.

The PREMIER: I view the upward trend of charges with grave concern. That trend must as far as possible be avoided unless the economic structure of the State is to be dislocated altogether. It is a thing to be guarded against most carefully, so that our industries may carry on.

Motor License Fees.

Before dealing with the details of the items of Revenue and Expenditure, perhaps it might clarify the position and simplify the discussion on the Estimates if I intimate now that the only extraneous item of receipts included in the Revenue Estimates is an amount representing fees from registration of motor vehicles in the metropolitan area, which are at present paid to the Main Roads Funds. As members are aware, the Main Roads Act, 1932, provides, in regard to distribution of fees collected under the Traffic Act for the registration of motor vehicles in the metropolitan area, after the percentage allowed for the cost of the Police Department, that 22½ per cent. of the remainder of the fees shall be paid to the Main Roads Contribution Trust Account. That money is used to meet the cost of roads and bridges in the metropolitan area. It is felt that in these times of stress there is every reason why this money should be paid to Consolidated Revenue. Legislation for this purpose will be introduced later, and it is proposed that the expenditure from the Main Roads Fund which would ordinarily have been met from this share of the traffic fees will be met from the petrol tax money in the hands of the Commissioner of Main Roads. That is not dealing with license fees only.

Hon. C. G. Latham: It is a way of trying to get some of the Federal money.

The PREMIER: Yes. I say candidly that that is so. The proposal has this virtue, that the metropolitan local authorities do

not get the money now, whereas in respect of license fees their revenues were seriously affected, and consequently the authorities could not carry on. The present proposal, however, does not affect the finances of the local authorities. They do not get this money; they have never had anything whatever to do with it. Therefore, in view of what I may have to say a little later, I repeat my opinion that this proposal is highly reasonable in a time of stress. Had there not been an extra quarter of a million added to the basic wage this year, we might have done without this expedient; but in the face of the additional expenditure a needy Treasurer must look in every direction for revenue without imposing a burden on any section of the community—local authorities or individuals or anybody else.

Road Expenditure in Metropolitan Area.

Because of increased employment due to the war, there are now fewer men dependent on the Commissioner of Main Roads for employment than there were in pre-war days. It is anticipated that though our share of the petrol tax will substantially decline during the war the Commissioner of Main Roads will have sufficient funds to enable him to meet the legitimate expenditure which is required in the metropolitan area, and which would have been met out of the 22½ per cent. of the traffic fees transferred to the trust fund. The various local authorities in the metropolitan area will not be prejudiced by this proposed legislation, nor will they be deprived of expenditure which otherwise they would have enjoyed. It is anticipated that £25,000 or £30,000 will be made available to revenue if this legislation is passed by Parliament. When dealing last year with a proposal somewhat similar but adversely affecting local authorities, the Government attempted, unsuccessfully, to provide for the payment to Consolidated Revenue of a portion of the license fees paid in the metropolitan area. In dealing with that suggested amendment the Government gave as a reason for the legislation that the Commonwealth Grants Commission had criticised our failure to secure some part of the motor license fees as a contribution towards interest and sinking fund on loan expenditure on roads and bridges throughout the State.

Criticism by Grants Commission.

During the debate on the Bill, which the Minister for Works will recall vividly, many members queried the authenticity of the Government's statement regarding the Grants Commission's criticism—a criticism to the effect that Western Australia was the only Australian State which got nothing into revenue from motor license fees, and that every other State received interest and sinking fund on roads constructed by the State during the year—in some cases to a tremendous amount. We are told, "If you are prepared to do without this revenue, you cannot expect the Commonwealth to make up the loss." The Grants Commission's report is not out yet—in fact, I understand it is not printed yet—but I have been informed that there is a definite reduction in the amount of the grant this year compared with what it was last year, and because of that very fact. It means that there is a recommendation from the Commission to the Commonwealth Government in regard to what the Commission holds to be a fair thing to a State in need. We are told that our State cannot be in great need, because our Parliament does not, as every other Parliament does, divert some of the proceeds of motor licence fees into general revenue. I understand that this year there is to be a very substantial reduction in the grant because of that very fact.

Hon. C. G. Latham: I am afraid that will make the Commonwealth Government highly unpopular.

The PREMIER: I do not know that the Commonwealth Government worries greatly about that. It says, "We appoint a Commission to consider the position of the States in need, and if the Commission recommends a grant to a State, the State shall have it." I cannot tell what the Commonwealth Government will do. I have used my utmost endeavours to get some of this money in. We could have obtained an additional £30,000 or £40,000 from the Commonwealth Government by way of grant, had I been successful.

Position of Local Authorities.

The Government feels that there are two very good reasons why some contribution should be made from motor license fees towards the cost of roads and bridges. One is that on account of the heavy additional items of expenditure which have to be met, and the necessity for conserving money for the war effort by not increasing State taxation, the

Government is entitled to secure this revenue, which can be done without prejudicing the position of local authorities. Secondly, the fact that we now have definite evidence that the Grants Commission has imposed upon us a penalty, because of our failure to transfer some of the motor license fees to revenue, compels us to take such steps as are necessary to reduce that penalty. If the legislation proposed by the Government last year had been passed, the reduction would not have been made.

We do not take the money away from the local authorities; we divert it into revenue and by so doing receive the like amount from the Commonwealth Government upon the recommendation of the States Grants Commission. While we may not agree with the reasoning of the States Grants Commission in making this reduction, we have to face the fact that it has been made and we must recognise that Western Australia is the only State of the Commonwealth which does not transfer to revenue some part of the motor license fees. I do not desire to labour this point any further at present, because the Minister for Works will probably be dealing with it later. In the meantime, we may have received the report of the States Grants Commission and members will have been able to see whether my forecast is correct. I am informed that it is.

Revenue from Taxation.

Turning now to the details of the Revenue, the estimated collections of taxation have been set down at £3,033,790, or a reduction of £93,814 on the collections last year. The details are as follows:—

Tax.	Collections last Year.	Estimate this Year.	Increase.	Decrease.
	£	£	£	£
Land Tax	122,063	113,000	.....	7,063
Income Tax	1,874,400	2,040,000	165,600	.....
Financial Emergency Tax	205,288	65,000	.....	230,288
Dividend Duty	737	200	.....	537
Gold Mining Profits Tax	185,833	175,000	.....	10,833
Total Motor Duty	48,423	50,000	1,577	.....
Stamp Duty	245,067	235,000	.....	10,067
Probate Duty	165,006	165,000	.....	6
Entertainments Tax	96,802	95,000	.....	1,802
Licenses—Liquor	88,498	88,000	.....	498
Other	5,687	5,500	.....	97
	3,127,804	3,033,790		
Net Decrease .....	.....	.....	.....	93,814

Dealing with the individual items, the explanations for the variations are as follows:

The collections of land tax last year were inflated by a large carry-over from the pre-

vious year. There is still a fairly large sum of uncollected land tax, but the collectable portion of it is smaller than it was at the beginning of the last financial year. Normally, the collection of land tax is in the vicinity of £110,000, but it is expected that an additional £5,000 will be picked up from the arrears outstanding at the end of the year.

Income Tax Estimates.

Income Tax is estimated to yield £165,600 more than was collected last year. The expected increase is due to a number of causes, principally increased employment, increased wages and margins for skill and the elimination this year of the deduction of the Financial Emergency Tax, a deduction which was allowed from taxable income in arriving at the amount of the assessment to be paid last financial year. The increased taxation yield would have been greater but for the effects of war on various private businesses which are not in war production and but for the reduction in incomes of men called up for military training.

Last year was a particularly favourable one for income tax, owing, as I have already said, to the fact that the Income Tax Act was passed early in the session, thus enabling the Taxation Department to issue assessments earlier than usual. It is hoped that this year the Department will be able to issue as high a proportion of assessments as it did last year. This will be achieved only if Parliament passes the Income Tax Bill early in the session.

Other Taxes.

The big drop shown in the estimated collection of the Financial Emergency Tax is, of course, due to the elimination last year of most of the arrears of this tax. The arrears at the commencement of this financial year were £82,000, and it is expected that further assessments for outstanding tax will add £15,000 to this sum. It is anticipated that of the total amount due, £65,000 should be collected.

Dividend duty is now amalgamated with the Income Tax and the small amount shown represents what it is expected will be collected of the arrears of this tax due from previous years. The reduction in the collection of Gold Mining Profits Tax is due to the fact that the amount collected last year was swollen by a substantial carry-over

of arrears of tax which during the year were paid. Stamp duty is estimated to yield £10,000 less than was collected last year; this, of course, is due to restrictions in business trading, principally in the sale of land, on account of the war. The other items of tax show only slight variations and call for no particular comment.

Territorial Revenue.

Territorial revenue is estimated to yield £315,250, as against £318,828 collected last year. The details are as follows:—

	1940-41.	1941-42.	Increase.	Decrease.
Land	183,190	185,000	1,810	...
Mining	34,659	29,250	...	5,309
Timber	161,079	151,000	...	79
	318,828	315,250		

Net Decrease	3,578
--------------	-----	-----	-----	-------

On account of the better season we have experienced this year and the stabilised price of wheat, it is expected that payments of land rents should be slightly higher than they were last year.

Mining revenue shows a rather substantial drop, but this is due to the stabilisation of the industry and a smaller collection of revenue from survey fees for new leases taken up. Timber revenue is estimated to yield approximately the same amount as that collected last year, which was a good one for the timber industry. It is hoped that these conditions will continue this year. Unfortunately it is thought that the sales of sandalwood will not be as good this year as they were last year; in addition export orders are difficult to execute on account of the shortage of shipping and war conditions in China, where the bulk of our sales are made.

Western Australian Hardwoods.

However, to offset these disadvantages it is expected that the supply of timber required for the Australian market will be increased, particularly in the Eastern States where on account of war conditions it is not possible to get imported softwoods. I am delighted to know that our hardwoods, particularly karri, are coming into their own and that more extensive use of them is being made in the Eastern States. To a large extent they are taking the place of hemlock and other imported timbers.

Law Courts and Departmental.

The revenue from the Law Courts is set down at £82,000, as compared with the actual collections last year of £84,704. Departmental revenue is estimated to yield £1,121,546, as against collections last year of £958,122, a net estimated increase this year of £163,424.

Treasury Revenue.

Apart from small adjustments in the various departmental receipts, the main increase is in the estimated revenue of the Treasury Department. The chief items in the Treasury revenue which are expected to show substantial increases are as follows:—

	£
Agricultural Bank interest, estimated increase	75,694
State insurance profits	60,000
Transfer from the Main Roads Fund to revenue of the 22½% of the metropolitan motor license fees ..	29,000

Agricultural Bank Interest Collections.

In regard to the Agricultural Bank interest collections, it is fully anticipated that on account of the wonderfully good season we are enjoying this year the collections will be higher than they were last year. Last year the net amount collected and paid to revenue was £209,800. This year we anticipate receiving £285,500—an increase of approximately £75,700.

Influence of Seasons.

During my term as Treasurer I have frequently remarked that if all our avenues of production could simultaneously experience reasonably good conditions our financial position would be very secure. If all our industries had a fair year and good prices were received for our commodities, we would be able to balance the Budget. However, members well know—and particularly those in agricultural districts—that climatic conditions have been adverse, and when we did have a good season prices were very low. During the period I have mentioned we have never had a reasonably normal season with good prices. As the Minister for Lands is well aware, the pastoral industry has undergone the worst period in its history during the last five or six years. The numbers of sheep have

decreased by 60 or 70 per cent. in the North-West districts. This year we are having an excellent season in the major portion of the State, but unfortunately that good season has come at a time when war conditions overshadow all other considerations.

The Price of Wheat.

Though a payable price for wheat has been fixed by the Commonwealth Government that price applies only to a limited bushelage. Until the figures for the whole of Australia are fixed we cannot tell what revenue we can expect to receive for our wheat harvest. If there had been no war and prices had been reasonable, there is no doubt we could have looked forward to this coming year with confidence, and with a reasonable expectation of prosperous conditions. As it is, the future is full of uncertainty and it is impossible to foretell what conditions during the year will be.

Further Revenues.

The increase in the State Government Insurance Office profits is the result of careful management and the additional amount transferred to Treasury revenue is a very welcome item of receipt. The amount set down as the estimated collections of traffic fees is the result of the proposed legislation which I have already mentioned. In addition to these items of revenue, we shall receive this year from the State Saw Mills an amount of £19,329 being repayment of revenue Capital. The Saw Mills had a particularly good year and its financial position is such that it was deemed advisable to repay this amount of revenue capital which was advanced some time ago.

Revenue of Public Works Department.

The only other item in departmental revenue which justifies comment is the revenue from the Public Works Department, which shows a decrease of £10,000, compared with the collections last year. This, of course, is due to the fact that last year a considerable amount of work was done for the Commonwealth Government, for which reimbursement was made of officers' salaries and incidental expenses incurred on behalf of the Commonwealth. There is not the same volume of work in hand, and as these officers are on the permanent staff it is not possible for us to show any saving.

The Royal Mint.

The revenue from the Royal Mint is estimated at £60,000, as against £57,038 received last year. The Mint has been exceedingly busy during the last year coining coppers for the Commonwealth Government. Another contract has just been received and it is expected that conditions this year will be comparable with those obtaining last year. The expenditure naturally must increase likewise, and this year the Mint is estimated to expend £12,000 more than the annuity fixed under the Royal Mint Act, namely, £25,000. Last year the excess expenditure was £5,500.

Special Commonwealth Grant.

The special grant from the Commonwealth is set down at £630,000, as against £650,000 received last year. So far we have not received a copy of the Commission's report, but I have been advised by the Prime Minister that the Commission has recommended that the grant be reduced. Before considering the Budget figures I wanted to ascertain what grant we would receive and I was informed that the grant will be reduced by £20,000. The Commonwealth Treasurer did not want to give me the figure, but I pointed out that I needed it for Budget purposes. In giving me the figure he said that it had not been considered by the Federal Parliament and therefore should not be dealt with. I understand that the Commonwealth Parliament will give attention to the matter next week and that that will be the amount allowed. I base my expectation on the fact that never once has the Commonwealth Parliament varied the grant recommended by the Commonwealth Grants Commission.

Hon. C. G. Latham: That amount is £35,000 more than that for the year before last.

The PREMIER: I am not talking about the year before last; I am comparing this year with last year.

Hon. C. G. Latham: I was referring to the year before last.

The PREMIER: We had £300,000 less in the way of basic wage payments then. I was informed when in Melbourne a few weeks ago that the Commission expected to visit this State about the end of October.

Sir Frederick Eggleston.

At that time, however, the appointment of Sir Frederick Eggleston as representative of the Australian Government in China was

being considered. Subsequently he was appointed to that position and is going to Chungking. That will create a vacancy in the chairmanship of the Commission. I do not know who will be appointed in his place. Several names have been mentioned and the matter is now receiving the earnest consideration of the Federal Government. I have no doubt an appointment will be made within the next week or two so that the Commission can proceed with the work of estimating the grants for next year. I should like to take this opportunity to express my high regard for the ability of the former chairman, Sir Frederick Eggleston. I have not always seen eye to eye with him in regard to his views on our domestic economy, but I am sure he is actuated by a desire to be fair and just. On occasions I think he could have been much more generous, but from my numerous meetings and discussions with him I know that he always had the desire to be fair and just. I feel sure that Australia will be well represented in China by Sir Frederick. He has had a tremendous experience and has taken a very deep interest in Pacific affairs. I think he was part of a delegation to Washington 16 years ago. He has delivered lectures on the Pacific situation, which he has studied closely. If there is one man in Australia who understands that position to a greater degree than most men, it is Sir Frederick. In him Australia will have a representative in China who understands the position in the Pacific and the relationship of the nations occupying the lands on its borders.

State Trading Concerns.

The revenue from State trading concerns is estimated to be £37,000 above last year's collections. This increase is contributed almost entirely by the profits from the State Saw Mills. As I have already indicated, the Saw Mills had a very successful year and the profits to be paid to revenue this year will be £53,000, as compared with £7,044 last year. As an offset to this increase it is anticipated there will be a reduced revenue to the extent of about £7,000 from the Wyndham Meat Works. The season has been a poor one and the number of cattle killed this season is below the number killed last year.

Receipts from Public Utilities.

The receipts from Public Utilities are estimated to yield slightly more than we col-

lected last year. The collections last year were £5,683,000, and it is anticipated we should receive £5,695,000. We have budgeted for a smaller revenue from the Fremantle Harbour Trust, due to the lack of shipping.

Mr. Sampson: State ships are used to their utmost capacity. They should now lose less.

Increase in Shipping Costs.

The PREMIER: No. I was dealing with State ships only today and unfortunately the costs have increased immensely. In some cases they have gone up 150 per cent. Oil, insurance, war loading, and the many things which make up the general expenditure of State ships, have also gone up enormously. The Prices Fixing Commission for Australia has already given an increase of 10 or 12 per cent. to the shipping companies operating around Australia.

Mr. Sampson: Goods loading is always, lately, to full capacity.

The PREMIER: Yes, and it was previously. The price of Diesel oil, I think, has gone from about £4 to about £9 a ton, and everything else has gone up commensurately. The question of charges on the State ships will have to be reviewed. I do not want to be drawn into that subject now.

Mr. Rodoreda: Marine insurance has gone up tremendously.

The PREMIER: It has gone up 250 per cent.

Railways, Tramways and Electricity.

Railway revenue is shown as approximately £4,000 less than last year, but actually it is anticipated that the Railway Department will have a better year than it did last year. The decrease is due to the inclusion last year of an amount of £28,700 representing the sale of old locomotives to the Commonwealth Government. I have already dealt with this matter.

Tramways are expected to yield about £15,000 more than last year, and Electricity Supply is expected to have a better year by approximately £7,000. A reduction of £21,000 is estimated in the collection of State Battery receipts, due to the smaller quantities of ore being received for treatment.

General Expenditure.

The expenditure is estimated at £304,000 greater than last year. I have already dealt

with the main items of increased expenditure—viz. the increases in the basic wage, the cost of the Pay Roll Tax, and the cost of the reclassification of the school teachers and superannuation payments. These additional items of expenditure total approximately £550,000, so it will be seen that some saving has had to be effected in order to reduce the excess to only an additional £304,000.

Stringent Economy Essential.

This saving will only be possible by the exercise of the most stringent economy. Though this severe economy is not pleasant, I should think by this time we are used to it and should not find it difficult to continue a condition to which we have been accustomed in past years.

Last year the expenditure under Special Acts was £4,511,542; this year the estimated expenditure is £4,606,057, or an increase of £94,515. Interest which last year cost £3,541,000 is estimated to cost this year £3,583,000—an increase of £42,000. Sinking fund payments last year were £516,635 and this year are estimated at £542,000—an increase of £25,365.

Commonwealth Loan Redemption.

In November of this year a Commonwealth loan of £73,000,000 is due for redemption or conversion. This is portion of the conversion loan of 1931, when all interest rates were reduced to 4 per cent. This big conversion was discussed at the recent meeting of the Loan Council and is now receiving the careful consideration of the Commonwealth Government. It should be possible to obtain some easement in the interest rate and if so some saving to this State will be effected. We have £3,922,094 in this loan and I have hopes that we will obtain some benefit as a result of the conversion. Recent Commonwealth loans have been floated at $3\frac{1}{4}$ per cent. for maturity in 16 years or $2\frac{1}{2}$ per cent. for maturity in six years.

Hon. C. G. Latham: That £73,000,000 was not all at 4 per cent.

The PREMIER: All of it was. Our share is very nearly £4,000,000. If we float this loan at the rate of the last loan, $3\frac{1}{4}$ per cent. for 16 years and $2\frac{1}{2}$ per cent. for six years, we shall save nearly one per cent on the loan. That would mean that in May next when the half-yearly interest payments are due on that loan, if we have a successful

conversion we would save about £20,000. Thus £40,000 would be saved year after year during the currency of the loan.

Keeping Down Interest Rates.

The Loan Council and the Commonwealth Government are particularly anxious as a matter of public policy to see that the interest rates for loan moneys are kept down. This has everything to commend it, and now that we are making such tremendous additions to our loan borrowings, I suppose at the rate of £100,000,000 a year or more, it will be seen what a difference even one half per cent. will make. Half per cent. on £100,000,000 would mean half a million a year. There is everything to be said for the announced policy of the Commonwealth Government, which has been suggested and agreed to by the Loan Council—that is, that this reduction of interest should remain static—and as our various loans become due, that policy, if maintained, will be of great benefit to the people of Australia. At the end of the last war one loan was floated at 96 at six per cent. If the loans this year are floated at $3\frac{1}{4}$ per cent. we will get twice as much money for the same amount of interest payment, which will remove some of the big burdens we had to face after the last war. Under other Special Acts, apart from interest and sinking fund, the estimated expenditure this year is £464,000 as against expenditure last year of £437,299. The main variation is in the payments under the Superannuation and Family Benefits Act 1938, which are estimated to cost this year £82,000, as against £48,350 last year.

Departmental Expenditure.

Expenditure last year was £3,142,615 and the estimate this year is £3,247,142—an increase of £104,527. I do not propose to deal in detail with these estimates, as members will have ample opportunity to discuss them with the Ministers when the various departmental estimates are brought forward. Apart from the cost of the Pay Roll Tax and the increases in the basic wage, no serious increase has been budgeted for, with the exception of the reclassification of the school teachers to which I have already made reference.

Orphanages and State-aided Children.

When the provision was being made for the Pay Roll Tax, the Government gave con-

sideration to the question of the reduction of the allowances to orphanages and persons caring for State-aided children. Superficially it would seem that a good case existed for the reduction of these payments, since the orphanages and the other people interested are receiving the benefit of the Child Endowment Scheme.

The Government feels that any reduction in the amount paid would offset the benefit which was intended under the Child Endowment Scheme. The Government fully realises and appreciates the difficulties with which orphanages have to contend and has every sympathy with them in their humanitarian work. To reduce the payments made by the State even by a few shillings per child per week would save the Government comparatively little, but would impose a severe strain on the finances of the orphanages. The Government, therefore, feels justified at this time of rising costs in retaining the scale of payments made last year. People with more than one child, and all orphanages not wholly maintained by the State, participate in the child endowment scheme.

Election Expenditure.

Perhaps there is one item of increased expenditure which I should mention. It occurs under the departments controlled by the Minister for Justice. It is an amount of £10,000 set down for the general and Legislative Council elections. This item I should be glad to see eliminated, but I am afraid the expenditure is unavoidable. The provision for this event is a grim reminder that time marches on and next year will see the occasion when most of us will have to face the electors. If members feel that the expenditure is not justified and the election should not be held I should be only too happy to accede to their request that the election be postponed. The Leader of the Opposition looks at me. Only in the interests of economy would I suggest such a course.

Expenditure on Public Utilities.

On Public Utilities, the expenditure last year was £3,766,800; this year it is estimated at £3,872,236—an increase of £105,436. These utilities are, of course, subject to the incidence of the Pay Roll Tax and in addition have to bear the cost of the increased basic wage. These two factors are the main cause of the increased expenditure.

The utilities with the increases are as follows:—

	Increased expenditure £
Goldfields Water Supply	2,647
Metropolitan Water Supply	4,170
Railways	66,797
Tramways	21,494
Electricity Supply	18,177

These increases are offset to a slight extent by an estimated decrease of £10,446 expenditure under State Batteries. This is, of course, due to a smaller volume of business being done by the batteries. Though the increased expenditure for the railways appears to be substantial, I may say that the Pay Roll Tax alone accounts for £60,000.

Increase in Pay Periods.

In addition to this added burden there will be 27 pay periods this financial year as compared with 26 in the previous year. This extra pay means an added expenditure of £76,000. Once in ten or eleven years, through the incidence of Leap Year, we have instead of 26 pay days, 27 in the railways. This year, unfortunately, is the year when we have 27, whereas that will not occur again for the next ten years. The Leader of the Opposition may be in office in six or seven years' time, but even so he will not have one of these 27 pay day periods to contend with. It will be seen that economies are being effected in the operation of the railways to offset the cost of the two items to which I have referred. I hope that will be so. The railways will have increased revenue. More people will be travelling by rail, and more business will be done. The petrol restrictions should have a beneficial effect on railways, tramways and other departments. I hope the position will improve during the year. It will have to, if we want to realise the estimate.

Expansion of Diversified Industry.

I am more than hopeful—I am sanguine—that because of opportunities, most of which we must make for ourselves, there will be an expansion of diversified industry which will mark a big step forward in our economic development. We have a difficult position to face this year. I do not desire to magnify the difficulties; they are there to be overcome, and we must overcome them without resorting to taxation or increased charges for services.

Anticipations for the Future.

This completes my review of the Estimates. We should at least realise our anticipations and thus keep well within the amount of £200,000 allotted to this State for deficit purposes by the Loan Council. A very strong endeavour will be made this year to improve as we did last year on the estimated figures. If this can be done we will be materially assisting the war effort. We have prospects of most of our people being engaged in remunerative employment. There is a very much better seasonal outlook both in the pastoral and agricultural areas. I hope that the drought in the pastoral areas will soon come to an end and that good seasons will once more prevail. That will mean so much better a time for the State.

Trade and manufactures generally show indications of continuing on the up grade, and our national income is increasing. This should beneficially affect our revenue earning departments and enable the people to meet their obligations. Because we are passing through difficult times, we should not even temporarily give up ideas of progress, improvement and expansion.

Development of Industries.

Successive Governments set out to develop primary industries, and spent large sums of money on them. They felt that when these industries reached the full producing stage the State would be on a wave of prosperity. That seemed to be the position for several years. Unfortunately, when we reached the stage of greatest productive capacity, the price of wheat fell to 1s. 3d. or 1s. 6d. a bushel. Since then, some ten years ago, there never has been a good season with remunerative prices for the agricultural industry. As a State we cannot afford to put all our eggs in one basket, and to concentrate on primary production alone. We have to diversify our agricultural production, diversify industry, and change over as far as possible to secondary industrial development.

Flax Growing.

Let me instance the position in regard to flax. Until a year or so ago we did not grow flax in this State, although experiments were being conducted at agricultural farms such as those at Chapman and Merredin, proving that it could be grown. We did not, however, go on with the industry. During

the last year or two we have made serious attempts to comply with the request of the Commonwealth Government that part of the requirements in flax for use in Australia should be produced in this State. The flax industry has expanded, and two new districts, namely Donnybrook and Boyup Brook, have been responsible for the planting of an additional 5,300 acres this year. The crop promises well and the State yield is expected to reach 550 tons of treated fibre. The yield per acre should be worth anything from £9 to £12 per ton. The industry brings with it a secondary industry of importance. The factory operatives who will be employed in the three factories for the handling of this year's crop will exceed 300 in number. The factory construction costs for this season's development will be in the region of £30,000. This is an instance of a secondary industry being developed coincident with the development of a primary industry.

Support for Secondary Industries.

We can be confident that the coming year will see the commencement of new industries and the expansion of others to the permanent benefit of the State. For my part as Treasurer, if I can with justification find reasons for the expenditure of money on behalf of people in the State for the inauguration of secondary industry development, I think I shall have the wholehearted support of members and of the community in general if I give that assistance. We cannot go on concentrating on primary production. We have tried that. We were successful to a degree until the economic conditions of Australia as a whole altered to such an extent that it would have been madness to continue in that strain. Of the national income of Australia about half comes from production, primary and secondary, whereas the proportion in this State is about two to one of primary production and secondary production. In the other States the proportion is about fifty-fifty, so that every effort must be made to approximate to a greater degree the Australian standard. There is and will be a tremendous forward move in industrial development throughout Australia during and after the war.

Our State must play its part, and, as I say, the Government will encourage every effort in that direction. So we are about 30 per cent. behind in the matter of second-

ary industrial development. Our task is to overtake that leeway and make this State more nearly approximate the Australian standard. No matter what party might be in power, any Government that does its duty by the State must endeavour to ensure that industrial development takes place. To this end it would have to undertake serious financial obligations. Like the Jew giving advice to his son, "You have to make money, honestly if you can, but you have to make it," so we must have secondary industries, and if private enterprise does not provide them, the State will have to do it.

Mr. Sampson: Our records in that connection are not too encouraging.

The PREMIER: They are encouraging, but I will leave it to the Minister for Industrial Development to give some particulars, which will be not discouraging but encouraging to the people.

Suggested War Industries Committee.

One of the recommendations of the investigating committee was that there should be a War Industries Committee. Its duty will be to investigate the possibilities of establishing industries here. We must assist, encourage, and urge the committee to get on with the work of establishing more industries. When the report comes out, it will be found that the investigating committee recommended that the Commonwealth subsidise secondary industries in this State as a measure of economic development of the whole of Australia. If the Commonwealth does that—and it has accepted the principle—we shall receive more backing in this respect, but we must do our part in every possible way. When we talk of secondary industrial development, it does not mean that primary industries will be in any way neglected, but we must endeavour to diversify production and get greater returns from many commodities rather than rely on a few. Then if we suffer a disaster in one industry, we shall be able to cushion the blow.

Conclusion.

When I introduced the Budget in September of last year, Great Britain was suffering all the horrors of the blitzkrieg from the accumulated hordes of German aircraft that had been amassed for years, and the position was so critical that one could not foresee what would happen within a few weeks. Although we have had many good and very many bad

days since then, all that has happened since has been to increase our confidence in emerging successfully from the present titanic struggle.

Members: Hear, hear!

The PREMIER: Amongst all the horrors and brutalities of the war, one thing has stood out above all, and that is the indomitable spirit of the British people. I am certain, as I am sure are all certain, that the only thing that has saved the British Empire from complete destruction has been the spirit of its people.

Members: Hear, hear!

The PREMIER: That same spirit will see us through whatever difficulties the future may hold for us. The men and indeed some

women of our State who are abroad are playing their part magnificently. It is our duty to back them up in every possible way, so that they may have opportunities to share in our material progress when the war has been won. I trust that when, as I hope, I am called upon to deliver the Budget speech next year, I shall be able to do so under circumstances that are more pleasant and that peace will once again have been restored and final victory achieved. I move the first division of the Estimates, namely—

Legislative Council £1,710.

Progress reported.

House adjourned at 8.36 p.m.

CONSOLIDATED REVENUE FUND.

	£
SURPLUS, 1940-41	11,111
Add Increases in Revenue, 1941-42—	
Taxation :	
Income Tax	185,800
Departmental :	
Government Printing Office	4,655
Treasury :	
Agricultural Bank—Interest Sinking Fund	75,094
Wire and Wire Netting repayments	5,879
State Saw Mills—Revenue Capital	12,542
State Insurance—Profits	60,000
Metropolitan Traffic Fees	29,000
	<u>183,115</u>
Trading Concerns—Profits	187,770
Public Utilities :	42,056
Metropolitan Water Supply	15,820
Tramways	15,430
Electricity Supply	7,012
	<u>38,271</u>
	<u>434,597</u>
Add Decreases in Expenditure, 1941-42—	
Public Utilities :	
State Batteries	10,540
Departmental :	
Public Works Department	27,211
	<u>37,757</u>
	<u>433,465</u>
Less Decreases in Revenue, 1941-42—	
Taxation :	
Land Tax	7,063
Financial Emergency Tax	230,288
Gold Mining Profits Tax	10,833
Stamp Duty	10,067
	<u>258,251</u>
Territorial :	
Mining	5,300
Departmental :	
Crown Law Department	6,526
Public Works Department	10,013
	<u>16,539</u>
Public Utilities :	
Fremantle Harbour Trust	7,180
State Batteries	20,756
	<u>27,916</u>
Commonwealth :	
Grant	20,000
Sundry Minor Variations	10,512
	<u>338,527</u>
	<u>144,938</u>
Less Increases in Expenditure, 1941-42—	
Superannuation	33,651
Interest and Sinking Fund	67,812
Departmental :	
Education Department	80,091
Police Department	16,057
Crown Law Department	18,422
	<u>119,170</u>
Public Utilities :	
Railways	66,797
Tramways	11,494
Electricity Supply	18,177
	<u>96,468</u>
Sundry Minor Variations	20,134
	<u>313,235</u>
Estimated Deficit, 1941-42	£198,297

INDEX TO RETURNS

	Return No.
Agricultural Lands Purchase	28
Balance Sheet	1
Commonwealth Grants paid to Trust Funds	36
Consolidated Revenue Fund—	
Expenditure—Statement of	4, 29
Receipts from Commonwealth	36
Revenue and Expenditure, 1940-41, compared with Estimate	2
Revenue—Statement of Receipts	3
Surpluses and Deficiencies for Financial Years 1900-01 to 1940-41	5
Expenditure not subject to Parliamentary Appropriation	31
Forests Improvement and Re-Forestation Fund	33
General Loan Fund—	
Loan Assets—Detailed Classification, 1940-41	11
Loan Assets—Summarised Classification, 1940-41	10
Loan Expenditure for 1940-41 compared with previous years	6
Loan Repayments—Receipts and Expenditure	30
Grants from Commonwealth, paid to Trust Funds	36
Hospital Fund	32
Public Debt—	
Contingent Liabilities	7 (e)
Loan Authorisations and Flotations	7 (a)
Loan Indebtedness	7 (b)
Loan Liability—Statement showing amounts maturing each year	8
Net Public Debt per head of population	7 (d)
Sinking Fund	9
Summary of Gross Loan Raisings and Disbursements	7 (c)
Public Utilities—	
Electricity	16
Goldfields Water Supply	18
Metropolitan Water Supply	17
Other Utilities	19
Railways	14
Summary—Year 1940-41	13
Summary—Years 1935-36 to 1940-41	12
Tramways	15
Railways—	
Return relating to	14
Tonnage and Earnings on Goods Carried	38
Road Funds	34
Social Services	37
Taxation—	
Statement of Amount Paid to Consolidated Revenue Fund, Trust Funds, and Special Accounts	35
Trade, Production, Population, etc.	39
Trading Concerns—	
State Brick Works	21
State Hotels	25
State Implement Works	22
State Quarries	23
State Sawmills	26
State Shipping	24
Summary—Years 1934-35 to 1939-40	20
Wyndham Freezing Works	27

[Return No. 1.]

BALANCE SHEET OF THE GOVERNMENT OF WESTERN AUSTRALIA AT 30th JUNE, 1940, AND 30th JUNE, 1941.

	30th June, 1940.	30th June, 1941.		30th June, 1940.	30th June, 1941.
	£	£		£	£
Public Debt	96,230,399	97,791,724	Invested in Works and Services, etc. Balance—General Loan Fund c/d. ...	95,688,680 541,719	96,886,142 905,582
	96,230,399	97,791,724		96,230,399	97,791,724
Balance General Loan Fund ...	541,719	905,582	Consolidated Revenue Fund	5,977,311	5,966,200
Advances to Revenue Fund ...	5,873,000	5,966,200	Advances (under Appropriation "Ad- vance to Treasurer")	163,188	187,969
Reserve Accounts	29,631	29,229	Stores on Hand	432,752	524,477
Suspense Accounts	104,007	...	Suspense Accounts—Expenditure in Suspense	109,309	84,288
Trading Concerns	50,941	117,436	Trust Fund Investments—		
Trust Funds—			Governmental	1,239,557	1,617,234
Governmental	2,609,852	3,257,944	Private	1,542,573	1,892,516
Private	1,724,551	2,034,812	Banking Account	1,281,905	1,512,235
			Cash in hand, etc.—		
			Banks Current Account	134,072	105,625
			Banks in Eastern States	36,008	44,027
			Cash—		
			In London	2,140	3,579
			In Transitu	5,371	314,217
			In Hand	9,615	58,836
	10,933,701	12,311,203		10,933,701	12,311,203

[16 SEPTEMBER, 1941.]

[Return No. 2.]

REVENUE AND EXPENDITURE, 1940-41, COMPARED WITH ESTIMATE.

SUMMARY.

	Estimate.	Actual.	Comparison with Estimate.	
			Increase.	Decrease.
	£	£	£	£
Revenue	11,217,152	11,432,068	214,916	...
Expenditure	11,383,849	11,420,957	37,108	...
Deficit	166,697	...	...	166,697
Surplus ... ..	...	11,111	11,111	...
Net Improvement			£177,808	

DETAILS.

Revenue.	Estimate.	Actual.	Comparison with Estimate.	
			Increase.	Decrease.
	£	£	£	£
Taxation	2,993,700	3,127,604	133,904	...
Territorial	305,000	318,828	13,828	...
Law Courts	76,000	84,704	8,704	...
Departmental	1,018,837	958,122	...	60,715
Royal Mint	40,000	57,038	17,038	...
Commonwealth	1,123,432	1,123,432	...	...
Trading Concerns	98,683	79,167	...	19,516
Public Utilities	5,561,500	5,683,173	121,673	...
Total Revenue	11,217,152	11,432,068	295,147	80,231
Net Increase			£214,916	

Expenditure.	Estimate.	Actual.	Comparison with Estimate.	
			Increase.	Decrease.
	£	£	£	£
SPECIAL ACTS—				
Constitution Act	17,100	17,100	...	...
Interest—Overseas	1,785,946	1,786,196	250	...
Interest—Australia	1,772,623	1,754,312	...	18,311
Sinking Fund	517,750	516,635	...	1,115
Other Special Acts	421,885	437,299	15,414	...
GOVERNMENTAL—				
Departmental	2,551,302	2,612,918	61,616	...
Exchange	493,000	503,482	10,482	...
Unemployment Relief	50,000	26,215	...	23,785
PUBLIC UTILITIES	3,774,243	3,766,800	...	7,443
Total Expenditure	11,383,849	11,420,957	87,762	50,654
Net Increase			£37,108	

UNFUNDED DEFICIT.

Unfunded Deficit to 30th June, 1940	£	5,977,311
Surplus for 1940-41 Year		11,111
Total Unfunded Deficit to 30th June, 1941		5,966,200

[Return No. 3.]

REVENUE.

STATEMENT OF RECEIPTS FROM 1932-33 TO 1940-41 AND ESTIMATE FOR 1941-42.

Heads.	1932-33.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.	Estimate 1941-42.
TAXATION—	£	£	£	£	£	£	£	£	£	£
Land Tax	130,003	118,073	121,895	117,032	117,249	124,083	115,229	99,880	122,003	115,000
Income Tax	169,010	173,255	235,331	274,704	283,539	582,007	741,178	850,017	1,874,400	2,040,000
Financial Emergency Tax	202,330	411,716	034,980	827,110	971,372	1,074,561	1,214,005	1,283,700	295,283	05,000
Dividend Duty	168,614	190,880	318,053	301,367	427,066	184,023	141,038	150,449	180,570	175,200
Totals for Tax	47,201	47,739	53,303	59,802	60,782	57,041	57,146	51,060	48,423	50,000
Stamp Duty	191,547	216,779	250,732	261,192	273,274	290,300	283,921	260,096	245,067	235,000
Probate Duty	91,095	70,154	74,076	112,057	93,320	101,631	123,798	122,028	105,006	105,000
Entertainment Tax	62,486	75,262	33,051	89,240	95,232	98,610	103,408	98,722	96,002	95,000
Licenses	64,262	63,061	70,670	81,651	80,841	82,578	83,757	83,993	94,185	93,500
Other	11	1								
Total	1,128,515	1,368,720	1,902,086	2,185,800	2,403,575	2,504,987	2,804,223	2,906,054	3,127,904	3,083,700
TERRITORIAL AND DE-PARTMENTAL—										
Land	197,412	201,856	250,088	208,831	180,111	170,000	138,176	132,757	133,100	135,000
Mining	20,304	27,763	45,049	42,242	41,838	38,884	41,201	30,863	34,559	29,250
Timber	61,435	83,194	110,504	134,315	155,460	165,120	187,395	143,585	161,079	161,000
Royal Mint	21,147	24,052	25,053	23,021	30,750	33,959	34,980	43,274	57,038	60,000
Departmental Fees, etc.	1,350,723	1,119,820	780,819	634,374	803,670	989,051	892,920	971,047	958,122	1,121,546
Law Courts	47,195	49,782	55,590	65,242	75,722	81,957	88,158	84,906	84,704	82,000
Commonwealth	500,000	600,000	600,000	800,000	500,000	375,000	370,000	595,000	650,000	630,000
Do. Special Grant			133,000	35,000	33,000					
Do. Interest Contributions	473,432	473,432	473,432	473,432	473,432	473,432	473,432	473,432	473,432	473,432
Total	2,671,648	2,580,813	2,474,735	2,624,060	2,363,001	2,528,909	2,376,268	2,483,924	2,642,124	2,682,223
PUBLIC UTILITIES—										
Native Stations	2,901	2,029	3,703	4,785	5,003	4,277				
Banbury Harbour Board	3,000	8,000	8,400	8,500					500	2,500
Fromantle Harbour Trust	231,095	216,853	230,086	231,307	238,429	257,413	261,537	242,333	102,100	185,000
Goldfields Supply	171,071	174,546	187,940	240,461	280,848	293,873	290,904	310,723	347,748	345,000
Kalgoorlie Abattoirs	5,130	5,035	5,026	6,003	6,038	6,490	5,800	6,504	6,092	6,000
Metropolitan Abattoirs and Sals Yards	38,253	39,201	42,675	52,200	52,719	52,227	50,615	54,909	61,442	61,500
Metropolitan Water Supply and Sewerage	350,197	355,087	364,240	376,608	412,545	439,184	468,702	501,219	527,180	543,000
Other Hydraulic Undertakings	43,224	44,808	52,664	61,755	58,147	61,104	54,055	61,308	68,502	74,000
Perth City Markets	1,203	1,320	1,118	806	60					
Railways	2,020,817	2,884,531	3,277,544	3,424,494	3,468,657	3,645,942	3,586,013	3,497,520	3,573,079	3,570,000
Tramways, Electric	232,202	231,063	234,813	237,103	235,797	238,508	302,354	304,856	334,501	350,000
Electricity Supply	270,302	205,207	322,674	348,425	364,603	387,037	414,519	425,715	437,988	445,000
State Ferries	(a) 1,906	8,608	8,799	8,514	8,458	8,231	8,148	7,762	8,404	8,550
State Batteries	98,019	110,496	116,062	126,298	122,532	125,072	120,095	124,424	110,756	90,000
Cave Houses, etc.	5,983	4,857	5,212	5,870	5,804	6,585	10,372	13,641	13,861	14,000
Metropolitan Markets	454	159	37							
Total	4,436,707	4,433,390	4,913,502	5,183,249	5,316,308	5,574,009	5,579,360	5,550,923	5,633,173	5,694,550
TRADING CONCERNS	95,283	93,774	30,107	40,012	102,549	121,137	129,809	80,042	79,167	116,570
GRAND TOTAL	8,332,153	8,481,697	9,331,430	10,083,721	10,185,433	10,819,422	10,949,600	11,119,943	11,482,068	11,527,133

(a) From April 1st only. Previously under State Trading Concerns.

[Return No. 4.]

STATEMENT OF EXPENDITURE FROM 1932-33 TO 1940-41, AND ESTIMATE FOR 1941-42.

Head.	1932-33.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.	Estimate 1941-42.
	£	£	£	£	£	£	£	£	£	£
Special Acts ...	3,740,944	3,811,437	3,842,339	3,913,851	3,997,418	4,181,908	4,270,003	4,402,863	4,511,542	4,606,037
Parliamentary ...	11,659	12,123	12,279	13,374	14,992	14,544	14,809	14,992	14,882	15,890
Premier ...	14,474	16,542	22,813	20,626	21,901	18,146	10,045	17,718	17,998	18,825
Governor ...	1,631	1,807	1,980	2,339	2,410	2,487	2,474	2,401	2,382	2,446
London Agency ...	9,109	9,225	9,029	10,156	10,160	12,039	12,361	10,478	10,000	10,627
Public Service Commissioner ...	1,263	1,246	1,196	1,571	1,520	1,540	1,788	1,675	1,727	1,185
Government Motor Cars	3,073	3,698	4,357	2,236	3,584	3,597	3,151	3,383	2,924	2,140
Printing ...	49,317	51,613	52,873	53,564	56,905	61,049	69,014	68,356	66,921	70,000
Tourist and Publicity Bureau ...	1,519	1,646	1,760	2,112	3,752	4,387	6,033	7,144	7,100	6,300
Literary and Scientific	9,690	8,690	8,935	11,143	11,101	11,150	11,820	11,150	11,249	11,236
Fisheries ...	3,620	3,654	3,606	4,158	4,583	4,503	5,473	6,189	6,982	7,900
Superannuation Board								2,446	2,510	2,480
Treasury ...	20,084	20,187	21,738	23,781	26,454	27,211	23,780	29,788	34,205	35,600
Audit ...	10,403	11,039	11,261	12,420	13,393	14,190	15,739	16,418	16,653	17,295
Workers' Homes Board										5
Compassionate Allowances ...	6,083	8,150	5,176	6,711	8,182	7,162	8,902	6,230	2,599	1,650
Government Stores ...	11,676	11,714	12,357	13,738	14,587	15,643	16,862	17,135	17,769	17,747
Taxation ...	31,614	32,657	33,640	33,894	33,699	33,800	33,795	33,698	43,730	42,000
Miscellaneous and Re-funds ...	627,497	500,128	569,335	605,939	751,688	778,467	625,650	649,076	777,850	774,831
Land and Surveys	48,001	48,416	48,723	51,094	51,743	52,237	56,765	56,077	56,519	56,450
Immigration ...	791									
Group Settlement	3									
Farmers' Debt Adjustment and Rural Relief	2,213	2,224	2,154	3,944	8,681	7,024	6,057	5,072	3,987	3,030
Agricultural Bank										5
Mines, Explosives, Geological, etc. ...	87,424	109,985	120,665	145,720	144,092	142,504	144,103	139,698	120,847	127,705
Forests ...	12,835	14,742	18,524	22,289	25,463	27,105	28,474	28,696	29,146	31,665
Agriculture	65,061	66,640	75,535	87,254	100,419	118,174	117,049	112,640	108,885	111,347
College of Agriculture	71,525	66,711	65,787	78,874	74,194	84,663	92,204	91,094	87,586	100,025
Public Law & Branches	107,905	211,929	219,633	228,394	239,458	243,124	255,378	258,846	269,705	285,852
Police ...	19,159	50,663	49,206	87,027	103,335	93,682	100,757	93,416	90,453	86,924
Factories ...	3,858	3,979	4,344	4,806	5,250	5,570	6,765	7,402	7,308	7,500
Arbitration Court		(a) 3,479	4,777	4,148	6,523	7,688	6,477	5,762	5,593	5,600
State Insurance										5
Town Planning	910	931	930	1,374	1,414	1,478	1,653	1,725	1,679	1,750
Office of Chief Secretary	23,662	23,274	24,845	26,634	28,610	28,734	31,330	33,705	35,157	39,436
Natives ...	11,616	11,330	12,608	14,083	20,008	25,202	30,000	44,644	44,900	44,000
Prisons ...	24,310	25,709	25,620	26,874	28,084	28,015	29,613	29,870	32,870	31,050
Harbour and Light and Jetties ...	17,828	19,375	19,830	22,957	24,149	27,240	26,743	28,411	28,135	31,070
Mental Hospitals	90,999	93,933	98,218	101,248	107,289	112,004	120,453	124,490	128,423	132,400
Child Welfare ...	132,676	128,863	125,957	118,502	116,338	120,957	126,309	133,081	132,145	128,400
Labour				891	908	913	1,118	1,428	1,538	1,600
Unemployment Relief...	357,721	244,457	92,445	68,605	69,578	69,826	64,183	73,132	41,353	17,000
State Labour Bureau	3,358	7,715								
Council of Industrial Development	918	1,202	1,559	1,572	2,235	1,884	2,518	3,891	3,630	6,670
Medical and Health ...	75,648	69,419	64,580	69,095	83,112	78,194	80,000	83,287	81,986	84,125
Education ...	553,846	576,296	612,703	685,284	715,957	730,917	757,051	772,656	784,009	873,700
North-West								13	143	200
Total, Departmental...	2,614,386	2,524,391	2,460,818	2,648,836	2,935,070	3,023,170	2,970,790	3,032,089	3,142,615	3,247,142
PUBLIC UTILITIES.										
Native Stations ...	4,192	4,751	5,190	6,002	6,593	6,777				
Goldfields Water Supply	108,239	113,268	128,369	114,411	120,334	125,155	135,389	130,055	136,753	139,400
Kalgoorlie Abattoirs	2,886	2,900	2,990	3,584	4,802	4,559	4,029	4,531	4,738	4,690
Metropolitan Abattoirs	25,518	26,952	27,686	30,231	33,550	30,830	33,912	34,480	35,172	33,400
Metropolitan Water Supply	83,356	98,602	97,133	90,202	101,357	97,088	101,090	105,268	106,655	110,825
Other Hydraulic Undertakings	23,916	29,953	47,095	51,092	60,142	61,090	58,685	64,060	63,316	65,065
Perth City Markets	602	590	720	678	110					
Railways ...	2,039,353	2,156,684	2,348,580	2,498,412	2,691,698	2,669,131	2,902,677	2,800,850	2,733,203	2,800,000
Tramways ...	222,219	205,069	190,078	204,392	205,046	211,013	247,071	240,438	255,500	277,000
Electricity Supply	191,997	192,804	220,079	241,853	270,364	290,879	312,719	307,895	304,623	322,809
State Batteries	2,005	7,828	7,993	7,996	8,068	8,462	8,380	8,596	8,157	8,180
State Batteries	80,801	91,783	103,739	113,643	113,100	112,225	113,800	112,918	106,416	95,970
Cave House ...	6,017	5,627	5,630	5,700	7,786	7,458	9,761	11,923	12,261	12,306
Total Public Utilities	2,840,900	2,934,781	3,195,360	3,378,150	3,623,550	3,624,657	3,928,409	3,830,916	3,760,800	3,872,236
GRAND TOTAL ...	9,196,231	9,270,601	9,498,525	9,945,343	10,556,633	10,829,735	11,170,102	11,266,708	11,420,957	11,755,435

(a) Previously under Crown Law.

[Return No. 5.]

STATEMENT SHOWING ANNUAL SURPLUSES AND DEFICIENCIES OF CONSOLIDATED REVENUE FUND,
FOR THE FINANCIAL YEARS 1900-01 TO 1940-41.

Year.	Revenue.	Expenditure.	Annual.	
			Surplus.	Deficiency.
	£	£	£	£
1900-01	3,078,033	3,165,244	...	87,211
1901-02	3,688,049	3,490,026	198,023	...
1902-03	3,630,238	3,521,763	108,475	...
1903-04	3,550,016	3,698,311	...	148,295
1904-05	3,615,340	3,745,225	...	129,885
1905-06	3,558,939	3,632,318	...	73,379
1906-07	3,401,354	3,490,183	...	88,829
1907-08	3,376,641	3,379,006	...	2,365
1908-09	3,207,014	3,368,551	...	101,537
1909-1910	3,657,670	3,447,731	209,939	...
1910-1911	3,850,439	3,734,448	115,991	...
1911-1912	3,966,873	4,101,082	...	134,409
1912-1913	4,596,659	4,787,064	...	190,405
1913-1914	5,205,343	5,340,754	...	135,411
1914-1915	5,140,725	5,706,541	...	565,816
1915-1916	5,356,978	5,705,201	...	348,223
1916-1917	4,577,007	5,276,764	...	699,757
1917-1918	4,622,536	5,328,279	...	705,743
1918-1919	4,944,851	5,596,366	...	652,015
1919-1920	5,863,501	6,531,725	...	668,225
1920-1921	6,789,565	7,476,291	...	686,725
1921-1922	6,907,107	7,639,242	...	732,135
1922-1923	7,207,492	7,612,856	...	405,364
1923-1924	7,865,595	8,094,753	...	229,158
1924-1925	8,391,446	8,439,844	...	58,398
1925-1926	8,808,166	8,907,309	...	99,143
1926-1927	9,750,833	9,722,588	28,245	...
1927-1928	9,807,949	9,834,415	...	26,466
1928-1929	9,947,951	10,223,919	...	275,968
1929-1930	9,750,515	10,268,519	...	518,004
1930-1931	8,686,766	10,107,295	...	1,420,539
1931-1932	8,035,316	9,593,212	...	1,557,896
1932-1933	8,332,153	9,196,234	...	864,081
1933-1934	8,481,697	9,270,609	...	788,912
1934-1935	9,331,430	9,498,525	...	167,095
1935-1936	10,033,721	9,945,343	98,378	...
1936-1937	10,185,433	10,566,638	...	371,205
1937-1938	10,819,042	10,829,735	...	10,693
1938-1939	10,949,060	11,170,102	...	220,442
1939-1940	11,119,943	11,266,768	...	146,825
1940-1941	11,432,068	11,420,957	11,111	...

LOAN EXPENDITURE FOR 1940-41 COMPARED WITH PREVIOUS YEARS.

(EXCLUSIVE OF LOAN SUSPENSE EXPENDITURE).

Undertakings.	1940-41.	1939-40.	1938-39.	1937-38.	1936-37.	1935-36.	1934-35.	1933-34.	1932-33.	1931-32.	1930-31.	1929-30.
	£	£	£	£	£	£	£	£	£	£	£	£
Railways, including Land Resumptions	102,476	102,153	198,065	349,393	178,882	116,240	295,076	316,124	180,567	197,168	454,895	824,952
Tramways—Perth Electric	9,109	125	8,042	8,512	33,591	...	...	11,280	5,601	...	9,550	24,710
Electric Power Station	15,125	1,097	17,919	39,977	109,837	281,165	203,268	2,089	918	3,681	11,289	44,050
Fremantle Harbour Works	51,853	15,845	31,803	31,691	78,781	100,053	98,683	91,975	169,816	37,694	69,596	109,086
Harbours and Rivers generally	24,318	36,081	57,689	70,240	108,065	200,949	208,830	154,169	79,802	39,632	63,910	154,189
Sewerage—Perth and Fremantle	113,433	242,103	351,400	253,490	361,334	455,901	330,199	177,673	125,033	90,669	42,102	102,250
Water Supplies a	754,457	611,559	584,132	709,742	831,636	819,339	784,603	656,072	656,640	437,315	197,238	236,999
Development of Goldfields b	48,453	55,806	42,015	29,071	20,550	27,167	59,882	74,196	30,041	27,982	29,077	91,870
Development of Agriculture	103,747	203,611	179,462	154,658	137,711	217,644	341,850	366,116	267,150	125,904	61,490	87,019
Assistance to Settlers, Industries, etc.	12,895	9,194	442	8,471	8,870	9,289	6,921	113,535	94,679	79,516	202,580	67,121
Agricultural Group Settlement	...	...	...	...	...	9,618	26,073	113,904	79,046	67,513	218,298	689,611
Land Settlement for Soldiers	679	417	540	87	434	427	331	1,199	403	12,234	39,369	46,313
College of Agriculture	1,118	443	670	...	...	...	...	...	...	...	...	1,100
Immigration	...	...	...	...	...	...	...	132	461	500	1,063	7,182
Agricultural Bank—Working Capital	...	...	...	...	...	...	50,000	325,000	303,257	317,460	295,734	849,849
Steamships	417	3,000	15,023	215,325	53,335	...	...	...	...	...	...	...
Workers' Homes—Working Capital	10,000	10,000	...	25,000	35,000	...	35,000	35,000	35,000	...	...	7,000
Saw Mills	...	...	...	...	...	...	...	...	...	...	...	749
State Hotels	20,702	9,173	4,900	18,022	4,647	8,000	...	519	...	413	...	2,000
Brickyards	...	...	...	...	...	...	...	...	...	...	...	268
Ferries	1,640	...	12	...	...	...	...	...	...	...	...	...
State Implement Works	7,571	...	...	...	...	...	...	...	...	...	...	...
Public Buildings	37,231	103,535	114,954	91,726	39,182	84,464	106,418	93,020	34,034	...	...	54,140
Hospital Buildings and Equipment, including Grants	300,000	3,194	...	...	...	...	...	...	...	...	...	...
Roads and Bridges	41,734	325,000	65,000	160,038	83,294	132,902	213,804	124,647	83,004	...	...	315,325
Sundries	5,000	9,415	9,000	...	5,448	593	25,103	412	1	2,244	5,072	18,354
Bulk Handling of Wheat	3,204	4,478	7,049	62,493	...	...	...	...	...	...	...	...
Boya Quarries	...	2,645	1,580	600	...	...	...	...	...	...	...	...
Native Stations, Hospitals, etc.	14,000	8,294	5,500	5,508	470	421	337	...	...	...	...	...
Metropolitan Markets	...	...	...	...	...	...	...	...	...	...	...	8,935
Discount and Flotation Expenses	...	...	...	...	...	...	...	...	78,007	...	...	...
Totals	1,700,306	1,759,174	1,698,111	2,315,004	2,193,117	2,464,187	2,784,185	2,664,022	2,217,982	1,380,225	1,759,263	3,693,052
Less Expenditure from Loan Repayments	...	...	...	...	...	...	...	...	...	...	...	...
Receipts	140,203	101,086	153,105	154,825	78,376	74,791	97,004	216,740	249,275	171,800	...	216,647
Net Expenditure from Loan Raisings	1,620,163	1,658,088	1,545,006	2,160,179	2,114,741	2,389,376	2,687,121	2,448,282	1,968,707	1,208,425	1,759,263	3,476,405

Includes Loans to Local Authorities for erection of Country Hospitals, etc., c £5,084; d £3,019; e £1,442; f £400; g £103.

a Including Goldfields Districts. b Excluding Water Supplies.

[Return No. 1.]

PUBLIC DEBT.

(a) LOAN AUTHORISATIONS AND FLOTATIONS.

	£	£	£
Authorisations to 30th June, 1940 ... ..	...	116,895,858	
Authorisations, 1940-41 ... ..	...	1,730,000	
		<hr/>	118,625,858
Flotations—			
Inscribed Stock, Debentures, Treasury Bonds, etc., issued in Australia and Overseas—Net proceeds:—			
For Works and Services... ..	97,954,513		
For Funding Deficits	6,140,087		
	<hr/>	104,094,600	
Discounts and Flotation Expenses (including Cost of Conversion Loans), net:—			
On Works Loans... ..	3,890,088		
On Deficit Loans... ..	198,807		
	<hr/>	4,088,895	
Balance of April, 1941, Loan	132,000		
	<hr/>		108,315,495
Short Term Debt current at 30th June, 1941—			
London	2,998,014		
Australia	6,303,000		
	<hr/>	9,303,014	
Total Flotations			117,618,509
Balance available for Flotation			* 1,007,349

* Includes surplus of £46,415 under Treasury Bonds Deficiency Acts.

(b) LOAN INDEBTEDNESS.

	£	£
Total Amount raised to 30th June, 1940 ... ..	...	115,620,759
Flotations during the year—		
Counter Sales	17,750	
Commonwealth Loans (Australia)	1,480,000	
Australian Treasury Bills (net increase)	500,000	
	<hr/>	1,997,750
		<hr/>
		117,618,509
Redemptions—		
Total to 30th June, 1940	19,390,360	
During the year:		
National Debt Commission:		
Securities repurchased	389,660	
Instalment Stock redeemed (Australia)	11,981	
Do. do. do. (London)	25,126	
Inscribed Stock redeemed at maturity	9,658	
	<hr/>	436,425
		<hr/>
		19,826,785
Gross Public Debt at 30th June, 1941... ..		97,791,724
Sinking Fund		573,576
		<hr/>
Net Public Debt at 30th June, 1941		£97,218,148

[Return No. 7—continued.]

(c) SUMMARY OF GROSS LOAN RAISINGS AND DISBURSEMENTS.

<i>Raisings.</i>		<i>Disbursements.</i>	
	£		£
Total Flotations, as per Return 7 (b)—		Discounts and Expenses—	
To 30th June, 1940	115,620,759	To 30th June, 1940 (Net) ...	3,880,849
During Year 1940-41	1,997,750	During Year 1940-41	9,239
Receipts from Loan Repayments—		Redemption of Agricultural Bank Mortgage Bonds ...	1,566,000
To 30th June, 1940	1,722,750	Deficits Funded (including Discount and Expenses) ...	6,338,894
During Year 1940-41	127,889	Advances to meet Expenditure pending receipt of Revenue ...	5,966,200
		Expenditure on Works and Services	100,591,459
		Loan Suspense Expenditure ...	78,925
		Balance of Loan—not to account at 30th June, 1941	132,000
		Balance of General Loan Fund	905,582
	119,469,148		119,469,148

(d) NET PUBLIC DEBT FOR HEAD OF POPULATION ON 30TH JUNE EACH YEAR.

Year.		Debt per Head.		Year.		Debt per Head.	
		£	s. d.			£	s. d.
1941		207	5 9	1928		165	10 7
1940		205	0 8	1927		157	14 4
1939		204	7 1	1926		155	14 8
1938		202	19 8	1925		146	3 11
1937		201	15 2	1924		146	13 6
1936		199	7 10	1923		142	9 6
1935		197	11 11	1922		137	1 0
1934		193	7 6	1921		*124	15 11
1933		187	4 8	1920		119	7 3
1932		180	3 8	1919		116	7 0
1931		174	2 6	1918		118	0 8
1930		163	9 9	1917		116	5 5
1929		162	6 9	1916		109	19 9

* Note.—Compared with the previous year, £2 16s. 11d. of the increase is due to an adjustment in the figures of the population at the Census.

(e) CONTINGENT LIABILITIES AT 30TH JUNE, 1941.

	Securities Issued.	Re-deemed.	In Circulation.	Funds Invested.
Finance and Development Board Act ...	700,000	294,354	405,646	...
Metropolitan Market Act	19,000	309	18,691	...
Workers' Homes Act	173,000	3,017	169,983	...
Agricultural Lands Purchase Act	587,471	341,259	246,212	97,173
	1,479,471	638,939	840,532	97,173
Bank Guarantees in force ... ..	...	...	191,800	...
Metropolitan Water Supply Act * ... ..	...	...	98,511	...
Land Drainage Act * ... ..	...	...	873	...
Total, Contingent Liabilities ... ..	...	...	1,131,716	...

* Principal and Interest on Debentures chargeable on the revenue and assets of the concern.

(Return No. 8.)

LOAN LIABILITY—STATEMENT SHOWING AMOUNTS MATURING EACH YEAR.

Earliest Date of Maturity.	Latest Date of Maturity.	Interest Rate.	Repayable in—		
			London.	New York.	Australia.
...	1941	1%	£	£	£
...	1941	2½	...	...	*6,305,000
...	1941	4	*2,998,014	...	...
...	1942	3·4875	...	...	3,022,094
...	1942	3½	...	...	66,155
...	1942	3½	...	...	287,000
...	1942	4·2625	...	...	3,061,750
1941	1943	2½	3,228,661	...	61,897
...	1943	3½	...	...	...
...	1943	3½	...	...	1,831,820
...	1943	4·2625	...	...	277,930
...	1943	4·65	...	...	1,100
...	1943	3½	...	...	755,000
...	1944	3	...	...	287,000
...	1944	3½	...	...	72,500
...	1944	4	...	...	286,000
...	1945	2½	...	...	1,607,494
...	1945	3½	...	...	215,090
...	1946	2½	...	...	463,000
1927	1947	3½	1,417,801	...	266,000
...	1947	3½	...	...	...
...	1947	4	...	...	32,630
...	1947	5·0375	...	...	1,274,724
...	1948	3	...	...	250,000
...	1948	3½	...	...	1,443,925
...	1948	3·4875	...	...	1,147,070
...	1948	3½	170,521	...	281,055
...	1948	3½	...	...	...
1943	1948	4	2,716,302	...	1,461,380
...	1949	3½	...	...	...
...	1949	3½	...	...	1,304,220
...	1950	4	...	...	1,741,310
...	1951	3½	...	...	1,341,198
1948	1953	3½	864,393	...	3,952,210
...	1953	4	...	...	...
1952	1954	3½	...	...	1,238,774
...	1954	3½	...	...	587,800
1935	1955	3½	3,204,904	...	3,167,950
...	1955	4	...	...	...
1953	1955	3½	...	...	1,230,763
1952	1955	5	...	1,498,444	2,407,805
1950	1956	3½	...	...	...
1950	1956	3½	...	...	1,571,890
...	1957	3	...	...	476,000
...	1957	4	...	...	149,226
1947	1957	5	...	516,992	1,174,159
...	1958	3	...	...	...
...	1959	3	...	...	171,331
...	1959	4	...	...	369,110
...	1960	3	...	...	1,167,605
1940	1960	3½	877,408	...	451,079
1956	1961	3½	1,739,527	...	...
...	1961	4	...	...	...
...	1961	3	...	...	1,216,546
...	1962	3	...	...	310,126
1942	1962	4	4,866,583	...	183,577
...	1963	3	...	...	...
...	1963	3·1	...	...	193,475
...	1964	3	...	...	1,566,000
...	1965	3	...	...	156,714
1901	1974	3½	8,829,191	...	31,839
1945	1975	5	12,976,462	...	...
Average Rate 3·654%			43,889,767	2,015,436	51,886,521
			£97,791,724		

[Return N.J. 9.]

SINKING FUND. TRANSACTIONS DURING THE YEAR 1940-41.

Receipts:	£	s.	d.	£	s.	d.
Balances brought forward, 1st July 1940—						
National Debt Commission ... ..	...			303,076	1	
Contributions:						
State—						
5s. per cent. on loan liability	253,084	2	4			
4½ per cent. on cancelled securities	242,880	3	4			
3 per cent. under Federal Aid Roads Act	17,023	6	11			
Special contribution on account loan for purchase of M.V. "Koolama"	20,600	10	10			
Exchange on contribution re M.V. "Koolama"	5,250	4	6			
Commonwealth—						
5s. and 2s. 6d. per cent. on loan liability	177,423	5	6			
Net earnings on investments... ..	8,038	8	8			
				724,070	2	1
				1,028,946	13	2
Disbursements:						
Redemptions and Repurchases, etc. at net cost (including Exchange)	...			455,370	12	0
Balance, Sinking Fund, 30th June, 1941 ... ..	...			573,576	1	2
				1,028,946	13	2

TRANSACTIONS FROM 1ST JULY, 1927, TO 30TH JUNE, 1941.

Receipts:	£	s.	d.	£	s.	d.
Balances brought forward—						
1st July, 1927—Endowment Policy (M.V. "Kangaroo"), Premiums paid	57,097	10	0			
1st July, 1929—Crown Agents	897,347	0	10			
				955,044	10	10
Contributions:						
On account M.V. "Kangaroo"	47,250	0	0			
On account, Crown Agents	40,312	13	5			
State—						
5s. per cent. on loan liability	2,936,181	11	6			
4½ per cent. on cancelled securities	1,369,077	13	0			
3 per cent. under Federal Aid Roads Act	240,283	3	7			
Special contribution on account loan for purchase of M.V. "Koolama"	72,410	17	11			
Exchange on contribution re M.V. "Koolama"	18,375	15	9			
Commonwealth—						
5s. and 2s. 6d. per cent. on loan liability	1,889,047	5	10			
Net earnings on investments	365,134	4	8			
Accretions to Endowment Policy at maturity	35,052	10	0			
Exchange on remittances	20,504	0	1			
				7,004,436	1	0
				8,019,480	12	7
Disbursements:						
Redemptions and Repurchases, etc.	6,219,736	3	7			
Contributions refunded to the State	630	17	11			
Contributions to Crown Agents	30,934	2	8			
Premiums on Policy account M.V. "Kangaroo"	47,250	0	0			
Repayment of 1934 Loan	988,353	7	3			
Repayment of 1936 Loan	140,000	0	0			
				7,445,904	11	5
Balance, 30th June, 1941:—						
National Debt Commission ... ..	...			573,576	1	2
				8,019,480	12	7

[Return No. 10.]

SUMMARISED CLASSIFICATION OF LOAN ASSETS, 1940-41. (a)

Undertaking.*	Loan Liability. (b)	Capital Charges (c).			Net Earnings.	Surplus.	De- ficiency.
		Interest.	Sinking Fund.	Exchange.			
FULLY REPRODUCTIVE.							
	£	£	£	£	£	£	£
Electricity Supply	1,952,751	78,680	10,076	10,087	138,365	39,542	....
State Saw Mills	260,670	10,173	1,402	1,393	29,720	16,752	....
State Hotels	85,008	3,209	448	430	7,181	3,085	....
Metropolitan Markets	155,374	5,680	808	803	9,315	1,844	....
Abattoirs, Sale Yards, Grain Sheds and Cold Stores	313,930	11,842	1,004	1,622	27,890	12,831	....
Workers' Homes Board	724,883	27,343	3,765	3,744	35,886	1,034	....
Stock Suspense	24,027	906	124	124	4,000	2,846	....
Tramways	1,245,207	46,070	6,391	6,432	75,648	16,055	....
Small Loans Scheme	21,290	803	128	110	1,072	31	....
Industries Assistance Board	53,988	2,037	363	270	3,220	41	....
	4,846,197	182,803	25,600	25,033	327,506	94,061	....
PARTIALLY REPRODUCTIVE.							
Railways (e)	20,041,437	1,004,040	137,198	137,618	838,776	....	440,080
Harbours and Rivers (d)	6,463,611	243,814	33,114	33,368	193,508	....	116,808
Water Supply, Sewerage and Drain- age	16,699,653	629,027	82,220	86,263	664,791	....	133,616
Wyndham Meat Works	1,072,380	40,451	5,543	5,530	40,160	....	11,373
Loans to Public Bodies	135,319	5,105	712	690	4,784	....	1,732
Mining Generally	831,440	31,363	4,117	4,295	1,227	....	36,548
State Batteries	420,800	15,873	2,166	2,174	1,340	....	15,873
Roads and Bridges	3,443,998	129,011	17,604	17,700	7,396	....	157,000
Tourist Resorts	75,317	2,841	385	380	2,278	....	1,337
Plant Suspense	154,401	5,824	798	798	2,700	....	4,030
Pine Planting and Reforestation	939,541	35,440	4,587	4,853	43,238	....	1,642
Assistance to Industries	442,647	16,607	2,240	2,287	7,446	....	13,787
Agricultural Bank (f)	8,717,158	328,810	45,680	45,020	172,073	....	247,455
Soldiers' Land Settlement (g)	2,060,075	77,708	10,647	10,642	21,062	....	77,035
Group Settlement	4,291,796	161,890	22,188	22,170	31,173	....	175,055
Aborigines Stations, etc.	82,771	3,122	298	428	150	....	3,608
Agriculture Generally	3,321,061	125,274	16,876	17,155	11,024	....	148,281
Bulk Handling of Wheat—Bunbury	71,220	2,687	362	368	2,683	....	734
State Implement Works	141,554	5,340	628	730	2,000	....	4,698
State Ferries	5,561	210	23	29	247	....	15
	76,011,749	2,867,236	387,375	392,644	2,052,046	....	1,506,209
TOTALLY UNPRODUCTIVE.							
State Shipping Service	631,751	23,830	22,580	8,513	....	....	54,023
Miscellaneous	144,263	5,442	748	745	Dr. 1,350	....	8,285
Rabbit-proof Fence	334,518	12,619	1,729	1,728	Dr. 6,609	....	22,685
Public Buildings, including Schools, Police Stations, Gaols, Court Houses, Hospitals and Institu- tions	4,078,931	163,672	20,075	21,044	Dr. 18,491	....	213,282
State Brickworks	52,231	1,970	270	270	....	....	2,510
State Quarries	39,931	1,506	207	206	....	....	1,919
	5,276,655	199,039	45,609	32,506	Dr. 26,450	....	303,604
SUMMARY.							
Fully Reproductive	4,846,197	182,803	25,600	25,033	327,506	94,061	....
Partially Reproductive	76,011,749	2,867,236	387,375	392,644	2,052,046	....	1,505,209
Totally Unproductive	5,276,655	199,039	45,609	32,506	Dr. 26,450	....	303,604
Capital Adjustments and Unallo- cated Costs of Raisings	4,653,341	175,528	24,887	21,087	....	....	224,452
Advances to C.R. Fund	5,906,200	69,492	30,355	....	....	....	110,847
Balance of General Loan Fund	905,582	26,410	2,800	2,016	....	....	32,126
	97,659,724	3,540,508	518,035	477,136	2,358,102	94,061	2,275,238
Balance of April Loan (not to account at 30th June, 1941)	132,000	....	....	....	....	....	....
Public Debt, 30th June, 1941	97,791,724	....	....	....	....	....	....
NET DEFICIENCY £2,181,177							

* For details see Return No. 11.

(a) This statement distributes the net cost of loan charges for the year over the various assets. (b) Total expenditure from loan funds (including proportionate cost of raising, after allowing for sinking fund redemptions and other adjustments. (c) Actual expenditure averaged over all assets. (d) To this should be added £571,709 included in Railway Capital. (e) Includes £571,709 being part of Capital Expenditure on Harbours and Jetty's controlled by Railway Department. (f) Includes £3,551,535 in respect of advances to settlers under Soldiers' Land Settlement Scheme. (g) Represents expenditure by P.W.D. on roads, bridges and drainage, and by Lands Department on repurchased estates.

[Return No. 11]

DETAILED CLASSIFICATION OF LOAN ASSETS 1940-41*.

Undertaking.	Loan Liability.	Capital Charges. (a)			Net Earnings.	Surplus.	Deficiency
		Interest.	Sinking Fund.	Ex-change.			
	£	£	£	£	£	£	£
Railways (b) ...	26,641,437	1,004,940	137,198	137,618	838,776	...	440,980
Tramways ...	1,245,207	46,970	6,391	6,432	75,848	16,055	...
Electricity Supply ...	1,952,751	73,660	10,076	10,087	133,365	39,542	...
	29,839,395	1,125,570	153,665	154,137	1,047,089	55,597	440,980
<i>Harbours and Rivers.</i>							
Fremantle (c) ...	3,442,780	129,865	17,625	17,784	201,889	36,615	...
Bunbury (c) ...	690,599	26,050	3,568	3,587	2,725	...	30,460
Geraldton (d) ...	699,305	26,378	3,617	3,612	1,176	...	32,431
Albany (d) ...	153,292	5,782	792	792	Dr. 1,149	...	8,515
Esperance (d) ...	15,951	602	82	83	Dr. 69	...	836
Busselton (d) ...	20,351	768	105	105	...	...	978
North-West Ports (d) ...	574,618	21,675	2,950	2,968	Dr. 7,451	...	35,044
Swan River ...	445,611	16,809	2,207	2,302	173	...	21,145
Dredges, Steamers and Plant ...	276,452	10,428	1,429	1,428	Dr. 604	...	13,889
Other Jetties and Works	144,652	5,457	739	747	Dr. 3,182	...	10,125
(d)	6,463,611	243,814	33,114	33,388	193,508	36,615	153,423
<i>Water Supplies.</i>							
Metropolitan ...	8,103,056	305,655	41,007	41,857	442,553	54,034	...
Goldfields Water Scheme	2,944,478	111,068	14,080	15,210	214,607	74,249	...
Country Towns ...	996,391	37,585	4,982	5,147	21,273	...	26,441
Country Areas ...	1,133,226	42,746	5,760	5,854	Dr. 1,841	...	56,201
Goldfields Areas ...	955,856	36,056	4,936	4,937	1,547	...	44,382
Irrigation and Drainage	2,391,929	90,226	10,552	12,356	Dr. 11,592	...	124,726
Other Works ...	174,717	6,591	903	902	Dr. 1,756	...	10,152
	16,690,653	629,927	82,220	86,263	664,791	128,283	261,002
<i>Trading Concerns.</i>							
Wyndham Meatworks...	1,072,380	40,451	5,543	5,539	40,160	...	11,373
Quarries ...	39,931	1,506	207	206	...	...	1,919
Brickworks ...	52,231	1,970	270	270	...	...	2,510
Implement Works ...	141,554	5,340	628	730	2,000	...	4,698
Saw Mills ...	269,679	10,173	1,402	1,393	29,720	16,752	...
Shipping Service ...	631,751	23,830	22,580	8,513	...	...	54,923
Hotels ...	85,068	3,209	448	439	7,181	3,085	...
	2,292,594	86,479	31,078	17,090	79,061	19,837	75,423
<i>Development of Agriculture.</i>							
Agricultural Bank (e)...	8,717,158	328,819	45,080	45,029	172,073	...	247,455
Industries Assistance Board ...	53,988	2,037	863	279	3,220	41	...
Soldiers' Land Settlement (f) ...	2,060,075	77,708	10,647	10,642	21,962	...	77,035
Group Settlement ...	4,291,796	161,890	22,168	22,170	31,173	...	175,055
Rabbit-proof Fence ...	334,548	12,619	1,729	1,728	Dr. 6,609	...	22,685
Generally ...	3,321,061	125,274	16,876	17,153	11,024	...	148,281
	18,778,626	708,347	97,963	97,093	232,843	41	670,511

* See footnote (a) on Return No 10.

[Return No. 11—continued.]

DETAILED CLASSIFICATION OF LOAN ASSETS 1940-41—continued.

Undertaking.	Loan Liability.	Capital Charges. (a)			Net Earnings.	Surplus.	Deficiency.
		Interest.	Sinking Fund.	Ex-change.			
<i>Abattoirs, Saleyards, etc.</i>	£	£	£	£	£	£	£
Metropolitan Abattoirs	221,582	8,358	1,126	1,145	26,270	15,041	...
Kalgoorlie Abattoirs ...	25,613	966	133	132	1,354	123	...
Generally ...	66,735	2,518	345	345	275	...	2,933
	313,930	11,842	1,604	1,622	27,899	15,764	2,933
<i>Development of Mining.</i>							
State Batteries ...	420,800	15,873	2,166	2,174	4,340	...	15,873
Generally ...	831,440	31,363	4,117	4,265	1,227	...	38,548
	1,252,240	47,236	6,283	6,469	5,567	...	54,421
<i>Public Buildings.</i>							
Education (including Narrogin School of Agriculture and Muresk College of Agriculture) ...	1,625,437	61,313	8,237	8,396	Dr. 19,145	...	97,091
Police Stations, Quarters, etc. ...	170,486	6,431	861	880	Dr. 2,570	...	10,742
Court Houses, Quarters, etc. ...	44,099	1,663	228	228	156	...	1,963
Goals ...	54,545	2,058	282	282	Dr. 3,677	...	6,209
Hospitals ...	1,058,698	39,935	4,026	5,469	11,577	...	38,753
Institutions ...	619,895	23,383	3,022	3,202	389	...	29,218
Buildings generally ...	500,768	18,889	2,519	2,587	Dr. 5,221	...	29,216
	4,073,931	153,672	20,075	21,044	Dr. 18,491	...	213,282
<i>All Other.</i>							
Aborigines Stations ...	82,771	3,122	298	428	150	...	3,698
Assistance to Industries	442,647	16,697	2,249	2,287	7,446	...	13,787
Bulk Handling, Bunbury	71,229	2,687	362	368	2,683	...	734
Ferries ...	5,561	210	23	29	247	...	15
Loans to Public Bodies	135,319	5,105	712	699	4,784	...	1,732
Metropolitan Markets...	155,374	5,860	808	803	9,315	1,844	...
Miscellaneous ...	144,263	5,442	748	745	Dr. 1,350	...	8,285
Pine Planting and Re-forestation ...	930,541	35,440	4,587	4,853	43,238	...	1,642
Plant Suspense ...	154,401	5,824	798	798	2,790	...	4,630
Roads and Bridges ...	3,443,998	129,911	17,604	17,790	7,396	...	157,909
Small Loans Scheme—Workers' Homes Board ...	21,290	803	128	110	1,072	31	...
Stock Suspense ...	24,027	906	124	124	4,000	2,846	...
Tourist Resorts ...	75,317	2,841	385	389	2,278	...	1,337
Workers' Homes Board	724,883	27,343	3,765	3,744	35,886	1,034	...
Capital Adjustments and Unallocated Costs of Raisings ...	4,653,341	175,528	24,887	24,037	...	...	224,452
Advances to C.R. Fund	5,966,200	89,492	30,355	...	...	...	119,847
Balance of General Loan Fund ...	905,582	26,410	2,800	2,916	...	...	32,126
	17,945,744	533,621	90,033	60,120	119,935	5,755	570,104
TOTAL ...	97,659,724	3,540,508	516,635	477,136	2,353,102	261,892	2,443,009
Balance of April Loan (not to Account at 30th June, 1941) ...	132,000						
Public Debt, 30th June, 1941 ...	97,791,724						
						Net Deficiency ...	£2,181,177

(a) Actual Expenditure averaged over all assets.

(b) Includes £571,700 being part of Capital Expenditure on Harbours and Jetties controlled by Railway Dept.

(c) Includes all expenditure on Fremantle and Bunbury Harbour Works.

(d) To this should be added £571,709 included in Railway Capital in respect of the following Harbours and Jetties—Albany, £119,077; Busselton, £34,794; Geraldton, £380,471; Esperance, £63,225; Port Hedland, £24,142.

(e) Includes £3,551,535 in respect of advances to settlers under Soldiers' Land Settlement Scheme.

(f) Represents expenditure by P.W.D. on roads, bridges and drainage, and by Lands Department on repurchased estate.

In returns 12-19 the average cost of servicing the Public Debt has been applied. The Returns do not show the same result as disclosed in the Commercial Accounts of the Utilities.

[Return No. 12.]

SUMMARY OF PUBLIC UTILITIES.

Year.	Capital.	Working Expenses.	Interest, Sinking Fund and Exchange.	Total Annual Cost.	Gross Revenue.	Surplus.	Deficiency.
	£	£	£	£	£	£	£
1933-36	42,419,787	3,337,372	1,014,010	5,251,382	5,184,200	....	67,182
1936-37	43,063,084	3,500,399	1,054,297	5,544,696	5,333,103	....	211,593
1937-38	45,045,476	3,504,300	2,072,467	5,066,866	5,503,320	....	73,546
1938-39	46,028,171	3,000,517	2,141,120	6,041,637	5,011,981	....	429,056
1939-40	46,424,972	3,799,428	2,208,074	6,004,562	5,572,612	....	431,890
1940-41	47,044,756	3,734,331	2,224,932	5,959,263	5,701,213	....	258,050

[Return No. 13.]

SUMMARY OF PUBLIC UTILITIES FOR YEAR 1940-41.

Utilities.	Loan Capital.	Working Expenses.	Interest, Sinking Fund and Exchange.	Total Annual Cost.	Gross Revenue.	Surplus.	Deficiency.
	£	£	£	£	£	£	£
Railways	(a) 27,275,245	2,735,203	1,279,756	4,014,959	3,573,979	....	440,980
Tramways	1,245,207	258,713	50,703	318,506	334,501	16,055	....
Electricity	1,932,751	304,023	93,823	398,440	437,988	39,542	....
Metropolitan Water Supply	8,103,056	100,056	388,510	405,175	540,209	54,034	....
Goldfields Water Supply	2,004,478	130,753	140,358	277,111	351,360	74,249	....
All other	5,474,019	192,383	262,683	455,066	454,116	....	950
Totals	47,044,756	3,734,331	2,224,932	5,959,263	5,701,213	183,880	441,930
NET DEFICIENCY ....	....	....	....	....	....	£258,050	

(a) Includes Revenue Capital £633,808.

[Return No. 14.]

RETURN RELATING TO RAILWAYS.

	1940-41.	1939-40.	1938-39.	1937-38.	1936-37.
	miles.	miles.	miles.	miles.	miles.
Number of Miles Open ...	4,381	4,381	4,378	4,376	4,357
	£	£	£	£	£
Loan Capital ...	26,641,437	26,545,146	26,442,349	26,251,503	25,895,076
Revenue Capital ...	633,808	633,338	633,338	640,020	640,020
Total ...	27,275,245	27,178,484	27,075,687	26,891,523	26,535,096
Working Expenses ...	2,735,203	2,802,850	2,904,677	2,671,131	2,693,698
Interest, Sinking Fund, and Exchange ...	1,279,756	1,280,648	1,249,042	1,227,178	1,178,504
Total Annual Cost ...	4,014,959	4,083,498	4,153,719	3,898,309	3,872,202
Gross Revenue ...	3,573,979	3,497,329	3,586,013	3,645,942	3,468,657
Deficiency ...	440,980	585,969	567,706	252,367	403,545

[Return No. 15.]

RETURN RELATING TO TRAMWAYS.

—	1940-41.	1939-40.	1938-39.	1937-38.	1936-37.
Loan Capital	£ 1,245,207	£ 1,236,471	£ 1,236,503	£ 1,228,675	£ 1,140,163
Working Expenses	258,713	254,837	251,571	218,013	212,645
Interest, Sinking Fund, and Exchange	59,793	59,678	58,413	57,127	51,780
Total Annual Cost	318,506	314,515	309,984	275,140	264,425
Gross Revenue	334,561	304,856	302,354	286,568	285,797
Surplus	16,055	...	...	11,428	21,372
Deficiency ... ..	...	9,639	7,630	...	...

[Return No. 16.]

RETURN RELATING TO ELECTRICITY.

—	1940-41.	1939-40.	1938-39.	1937-38.	1936-37.
Loan Capital	£ 1,952,751	£ 1,949,556	£ 1,952,884	£ 1,927,957	£ 1,901,198
Working Expenses	304,623	307,895	312,719	290,879	270,364
Interest, Sinking Fund, and Exchange	93,823	94,110	92,196	90,124	86,390
Total Annual Cost	398,446	402,005	404,915	381,003	356,754
Gross Revenue	437,088	425,715	414,519	387,037	364,663
Surplus	39,542	23,710	9,604	6,034	7,900

[Return No. 17.]

RETURN RELATING TO METROPOLITAN WATER SUPPLY, SEWERAGE, AND DRAINAGE.

—	1940-41.	1939-40.	1938-39.	1937-38.	1936-37.
Loan Capital	£ 8,103,056	£ 7,934,136	£ 7,826,447	£ 7,373,243	£ 6,827,384
Working Expenses	106,656	105,268	101,990	97,088	101,357
Interest, Sinking Fund, and Exchange	388,519	382,387	367,792	342,755	308,278
Total Annual Cost	495,175	487,655	469,782	439,843	409,635
Gross Revenue (a)	549,209	526,530	494,390	463,042	445,276
Surplus	54,034	38,875	24,608	23,199	35,641
Deficiency ... ..	...	...	...	...	...

(a) Includes amount taken to Treasury Revenue as interest on capital expenditure on works in course of construction.

[Return No. 18.]

RETURN RELATING TO GOLDFIELDS WATER SUPPLY.

	1940-41.	1939-40.	1938-39.	1937-38.	1936-37.
	£	£	£	£	£
Loan Capital	2,944,478	2,724,111	2,548,042	2,325,012	2,100,267
Working Expenses	136,753	130,055	135,388	125,155	120,314
Interest, Sinking Fund, and Exchange	140,358	130,587	119,379	107,855	94,318
Total Annual Cost	277,111	260,642	254,767	233,010	214,632
Gross Revenue	351,360	314,335	300,610	293,873	286,848
Surplus	74,249	53,693	45,843	60,863	72,216

[Return No. 19.]

RETURN RELATING TO OTHER UTILITIES FOR 1940-41.

Utilities.	Loan Capital.	Working Expenses.	Interest, Sinking Fund and Exchange.	Total Annual Cost.	Gross Revenue.	Surplus.	Deficiency.
	£	£	£	£	£	£	£
Fremantle Harbour Trust	2,913,420	(a)	189,842	139,842	192,160	52,318	...
Bunbury Harbour Board	611,201	(a)	29,360	29,360	2,491	...	26,878
State Batteries	420,800	100,416	20,218	120,629	110,756	...	15,873
Bunbury Bulk Handling	71,220	...	3,417	3,417	2,683	...	734
Metropolitan Abattoirs	221,582	35,172	10,629	45,801	61,442	15,641	...
Kalgoorlie Abattoirs	25,613	4,738	1,231	5,969	6,002	123	...
Cave House	52,848	12,261	2,535	14,796	13,861	...	935
State Ferries	5,561	8,157	262	3,419	8,404	...	15
Metropolitan Markets Trust	155,374	(a)	7,471	7,471	9,315	1,844	...
Water Supplies—Country Towns	996,391	25,630	47,714	73,353	46,912	...	26,441
Totals	5,474,019	192,383	262,683	455,066	454,116	69,026	70,876
NET DEFICIENCY ... ..	...	...	...	...	...	£950	

(a) Receipts paid to Trust Accounts from which Working Expenses are met without Parliamentary Appropriation.
(See Return No. 31).

[Return No. 20.]

SUMMARY OF TRADING CONCERNS.

	1939-40.	1938-39.	1937-38.	1936-37.	1935-36.	1934-35.
	£	£	£	£	£	£
Loan Capital	2,275,597	2,249,545	2,251,247	2,041,263	1,997,237	2,114,384
Revenue Capital	157,794	157,794	162,794	163,035	178,319	208,310
	2,433,391	2,407,339	2,414,041	2,204,298	2,175,556	2,322,703
Gross Revenue	1,477,420	1,454,296	1,516,771	1,347,971	1,218,099	1,264,775
Increase in Stocks	1,657	73,066	206	9,562	4,885	14,584
Decrease in Stocks	75,253	111	52,865	8,949	7,191	69,251
	1,403,824	1,527,251	1,464,112	1,348,584	1,215,793	1,210,108
Working Expenditure (a)	1,331,462	1,444,176	1,341,466	1,244,740	1,120,076	1,141,829
Interest and Sinking Fund	132,740	146,999	116,319	115,273	116,491	129,859
Depreciation	38,080	49,673	37,741	41,361	31,938	30,624
Total Annual Cost	1,502,282	1,640,848	1,495,526	1,401,374	1,268,505	1,302,312
Profit ... ..	...	...	...	...	...	...
Loss	98,458	113,597	31,414	52,790	52,712	92,204

(a) Includes provision for Bad Debts and Bad Debts written off.

Note.—Wyndham Meat Works—Financial years end 31st January, 1936, 1937, 1938, 1939, 1940, 1941.
 State Shipping Service—Financial year now ends 31st December. 18 months to 31st December, 1939, included in above figures for 1938-39.

[Return No. 21.]

RETURN RELATING TO STATE BRICKWORKS.

	1939-40.	1938-39.	1937-38.	1936-37.	1935-36.	1934-35.
	£	£	£	£	£	£
Loan Capital	52,231	52,231	52,238	52,238	52,238	52,238
Revenue Capital	1,774	1,774	1,774	1,774	1,774	1,774
	54,005	54,005	54,012	54,012	54,012	54,012
Gross Revenue	33,498	42,605	32,848	25,279	26,027	18,974
Increase in Stocks ... ..	...	87	206	...	1,078	...
Decrease in Stocks	10	...	...	353	...	2,879
	33,488	42,692	33,054	24,926	27,105	16,095
Working Expenditure	31,981	38,008	30,620	24,359	23,657	15,203
Interest and Sinking Fund	2,819	2,828	2,849	2,821	2,846	2,943
Depreciation	1,463	1,743	1,685	1,838	1,896	1,756
Total Annual Cost	36,263	42,579	35,154	29,018	28,399	19,992
Profit ... ..	...	113	...	...	...	...
Loss	2,775	...	2,100	4,092	1,294	3,897

[Return No. 22.]

RETURN RELATING TO STATE IMPLEMENT WORKS.

	1939-40.	1938-39.	1937-38.	1936-37.	1935-36.	1934-35.
	£	£	£	£	£	£
Loan Capital	121,554	121,554	121,554	121,816	121,816	121,816
Revenue Capital	123,509	123,509	123,509	118,750	119,034	119,034
	245,063	245,063	245,063	240,566	240,850	240,850
Gross Revenue	67,753	66,547	63,603	63,211	72,958	73,512
Increase in Stocks ... ..	...	...	...	...	...	...
Decrease in Stocks	822	111	518	6,801	5,309	6,680
	66,931	66,436	63,085	56,410	67,649	66,832
Working Expenditure	58,041	62,634	60,861	55,389	68,500	76,882
Interest and Sinking Fund (a) ...	12,390	12,390	12,443	11,726	11,752	11,520
Depreciation	3,848	...	...	4,091	...	...
Total Annual Cost	74,279	75,024	73,304	71,206	80,252	88,402
Profit ... ..	...	...	...	...	...	...
Loss	7,348	8,588	10,219	14,796	12,603	21,570

(a) Includes Sinking Fund not charged in the accounts of the Concern as follows :—

£304	£304	£305	£305	£305	£307
------	------	------	------	------	------

[Return No. 23.]

RETURN RELATING TO STATE QUARRIES.

	1939-40.	1938-39.	1937-38.	1936-37.	1935-36.	1934-35.
	£	£	£	£	£	£
Loan Capital	39,931	39,953	35,596	34,996	34,996	35,031
Revenue Capital	872	872	872	872	872	872
	40,803	40,825	36,468	35,868	35,868	35,903
Gross Revenue	26,337	20,704	17,388	10,598	16,445	14,780
Increase in Stocks	1,657	1,385	...	104	160	4
Decrease in Stocks ... ..	...	...	394	...	...	...
	27,994	22,089	16,994	10,702	16,605	14,784
Working Expenditure	26,978	21,727	15,072	10,029	14,420	13,902
Interest and Sinking Fund	2,133	1,904	1,884	1,872	1,942	2,128
Depreciation	2,343	1,625	1,600	1,637	1,621	756
Total Annual Cost	31,454	25,256	18,550	13,538	17,983	16,786
Profit ... ..	...	...	...	...	...	...
Loss	3,460	3,167	1,562	2,836	1,378	2,002

[Return No. 24.]

RETURN RELATING TO STATE SHIPPING SERVICE.

—	1940.	18 months to 31-12-39.	1937-38.	1936-37.	1935-36.	1934-35.
	£	£	£	£	£	£
Loan Capital	631,751	629,956	634,204	421,879	368,494	508,494
Gross Revenue	241,353	317,877	189,148	189,748	180,345	167,569
Working Expenditure	263,940	339,568	195,785	196,978	171,026	166,768
Interest and Sinking Fund (a) ...	38,046	53,676	22,426	22,292	25,600	29,703
Depreciation	23,512	37,873	25,118	25,118	19,427	19,440
Total Annual Cost	325,498	431,117	243,329	244,388	216,053	215,911
Profit ... ..	...	...	...	...	...	...
Loss	84,145	113,240	54,181	54,640	35,708	48,342

(a) Includes Sinking Fund not charged in the accounts of the Concern as follows:—

£1,575	£2,373	£1,055	£921	£1,271	£1,271
--------	--------	--------	------	--------	--------

[Return No. 25.]

RETURN RELATING TO STATE HOTELS.

—	1939-40.	1938-39.	1937-38.	1936-37.	1935-36.	1934-35.
	£	£	£	£	£	£
Loan Capital	86,569	60,853	61,164	61,441	59,987	60,171
Revenue Capital	5,524	5,524	5,524	5,524	5,524	5,524
	92,093	66,377	66,678	66,965	65,511	65,695
Gross Revenue	63,547	62,429	63,456	61,434	55,285	47,932
Working Expenditure	53,229	52,461	52,034	49,937	44,375	38,723
Interest and Sinking Fund	4,772	3,607	3,609	3,401	3,406	3,455
Depreciation	353	240	80	129	345	87
Total Annual Cost	58,354	56,308	55,723	53,467	48,126	42,265
Profit	5,193	6,121	7,733	7,967	7,169	5,667
Loss ... ..	...	...	...	...	...	...

[Return No. 26.]

RETURN RELATING TO STATE SAW MILLS.

—	1939-40.	1938-39.	1937-38.	1936-37.	1935-36.	1934-35.
	£	£	£	£	£	£
Loan Capital	271,181	272,618	274,121	276,513	287,326	287,326
Revenue Capital	26,115	26,115	31,115	36,115	51,115	81,115
	297,296	298,733	305,236	312,628	338,441	368,441
Gross Revenue	578,349	574,192	660,707	592,754	588,272	591,282
Increase in Stocks ... ..	...	2,332	...	...	...	...
Decrease in Stocks	113	...	14,889	1,795	1,882	59,692
	578,236	576,524	645,818	590,959	586,390	531,590
Working Expenditure	559,944	538,575	(a) 579,868	534,350	520,515	474,175
Interest and Sinking Fund	16,280	16,294	16,808	16,869	18,201	21,249
Depreciation	6,561	7,523	8,697	8,548	8,639	8,483
Total Annual Cost	582,785	582,392	600,373	559,767	556,355	503,907
Profit ... ..	...	14,132	40,445	31,192	30,035	27,683
Loss	4,549	...	...	...	...	...

(a) Includes £5,000 paid to Mill Construction Reserve Account.

[Return No. 27.]

RETURN RELATING TO WYNDHAM MEAT WORKS.

—	1-2-40 to 31-1-41.	1-2-39 to 31-1-40.	1-2-38 to 31-1-39.	1-2-37 to 31-1-38.	1-2-36 to 31-1-37.	1-2-35 to 31-1-36.
	£	£	£	£	£	£
Loan Capital	1,072,380	1,072,380	1,072,380	1,072,380	1,072,380	1,049,308
Gross Revenue	466,583	369,942	489,621	404,947	278,767	350,726
Increase in Stocks ... ..	...	69,262	...	9,458	3,647	14,580
Decrease in Stocks	74,308	...	37,064	...	...	...
	392,275	439,204	452,557	414,405	282,414	365,306
Working Expenditure	337,349	391,203	407,226	373,698	268,583	356,086
Interest and Sinking Fund (a)	56,300	56,300	56,300	56,292	52,744	58,861
Depreciation (b) ... ..	...	669	561	...	10	102
Total Annual Cost	393,649	448,172	464,087	429,990	321,337	415,049
Profit ... ..	...	...	...	...	...	...
Loss	1,374	8,968	11,530	15,585	38,923	49,743

(a) Includes Sinking Fund not charged in the accounts of the Concern, as follows:—

£2,681	£2,681	£2,681	£2,681	£2,623	£2,623
--------	--------	--------	--------	--------	--------

(b) Depreciation on Stores.

[Return No. 28.]

THE AGRICULTURAL LANDS PURCHASE ACT, 1909, and AMENDMENTS.

Position of Estates under the above Act, at 30th June, 1941.

[Amount Authorised £1,500,000.]

Estates.	Receipts.				Payments.				Balances.		
	Proceeds of De-bentures.	Sale of Lots, Rents, etc.	In-terest.	Total.	Purchase Money.	Survey Expenses, Interest, etc.	De-bentures Re-deemed.	Total.	Amount Over-drawn.	In Hand.	In-vested.
Anniebrook ...	£ 4,092	£ 875	£ ...	£ 5,967	£ 4,092	£ 2,010	£ ...	£ 7,011	£ 2,044	£ ...	£ ...
Avondale ...	49,949	43,957	3,417	97,323	49,949	61,121	49,949	161,019	63,806	...	...
Beaeton ...	32,875	15,152	...	48,027	32,875	28,390	...	58,265	10,233	...	...
Bowes ...	54,352	83,850	17,575	155,777	54,352	60,891	54,352	169,595	13,818	...	...
Brunswick ...	5,050	0,627	1,005	10,682	5,050	5,025	5,050	17,225	343	...	...
Bucklands ...	30,162	10,320	...	40,482	30,162	16,002	30,162	75,028	20,444	...	...
Henty ...	4,526	8,727	34	13,287	4,526	4,508	4,527	13,681	374	...	...
Homebush ...	1,250	1,979	742	3,971	1,250	1,471	1,250	3,971	...	...	...
Jelcobline ...	8,320	17,088	303	26,561	8,320	10,146	999	19,465	90	7,000	...
Jingakup ...	2,734	2,706	15	5,455	2,734	2,859	2,734	8,327	2,872	...	...
Kookatea ...	10,170	0,221	...	22,591	10,170	8,882	...	25,052	2,661	...	...
Marjidin ...	4,452	7,001	1,749	14,102	4,452	6,216	4,452	14,120	18	...	...
Mendel ...	16,586	8,945	224	25,755	16,586	10,086	...	26,671	1,866	...	...
Narra Narra ...	24,119	40,343	3,881	68,343	24,119	21,412	24,119	69,650	1,307	...	...
Norman ...	7,000	11,444	4,303	22,747	7,000	8,747	7,000	22,747	...	...	...
Oakabella ...	22,000	39,259	12,018	73,257	22,000	26,315	22,000	70,315	2,042	...	...
Pickering ...	4,295	1,954	106	6,355	4,295	2,819	...	7,114	750	...	...
Porongorup ...	1,704	915	40	2,719	1,704	1,012	...	2,776	57	...	...
Ulljulgulup ...	3,350	4,502	026	8,478	3,350	2,287	...	5,637	...	7	2,834
Weira ...	700	...	...	700	700	401	...	1,101	401	...	...
Wongoondy ...	42,280	10,221	...	52,481	42,280	22,840	...	65,100	12,023	...	...
Yandanooka... Estates under S.S. Scheme	140,000	286,631	12,526	430,157	140,000	168,784	24,100	322,884	...	28,034	87,339
	477,506	926,085	59,164	1,402,735	477,506	690,943	231,294	1,405,743	142,126	101,945	97,173
										£199,118	
										Credit Balance ...	£50,092

[Return No. 29.]

DISSECTION OF CONSOLIDATED REVENUE FUND EXPENDITURE, 1933-34 TO 1940-41.

Item.	1933-31.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.
	£	£	£	£	£	£	£	£
Interest ...	3,253,234	3,281,562	3,220,161	3,268,800	3,391,569	3,440,331	3,528,768	3,640,508
Sinking Fund ...	294,615	318,305	338,471	369,750	397,827	440,074	481,561	516,035
Exchange ...	504,286	489,237	454,250	460,459	453,902	470,820	492,989	503,482
Unemployment Relief	232,191	72,496	49,870	51,144	51,966	46,850	53,580	20,215
Salaries and Wages ...	3,233,133	3,432,644	3,618,271	3,917,527	4,006,298	4,308,034	4,435,780	4,323,906
Materials ...	720,350	727,015	787,970	920,234	905,021	1,049,207	1,000,158	995,293
Grants ...	115,713	138,909	154,754	155,756	186,044	189,815	138,533	100,092
Pensions ...	81,861	100,782	118,014	124,570	131,097	134,241	142,625	106,017
All other ...	835,321	1,007,595	1,104,682	1,308,279	1,305,411	1,083,712	983,384	1,147,600
Total ...	9,270,009	9,498,625	9,945,348	10,556,038	10,820,735	11,170,102	11,266,768	11,420,057

[Return No. 30.]

LOAN REPAYMENTS.
RECEIPTS AND EXPENDITURE.

Year ended 30th June.	Receipts.	Expenditure.	Balance in hand.
	£	£	£
1928	154,108	...	154,108
1929	235,404	33,297	356,215
1930	153,583	216,647	293,151
1931	84,248	...	377,399
1932	112,361	171,800	317,960
1933	91,751	249,275	160,436
1934	100,935	215,740	45,631
1935	150,507	97,064	99,074
1936	107,906	74,791	132,189
1937	122,975	78,376	176,788
1938	134,462	154,825	156,425
1939	147,040	153,105	150,360
1940	127,470	101,086	176,744
1941	127,889	140,202	164,431

[Return No. 31.]

**SUMMARY OF TRANSACTIONS OF FUNDS, THE EXPENDITURE OF WHICH IS NOT SUBJECT TO
PARLIAMENTARY APPROPRIATION, FOR YEAR ENDED 30TH JUNE, 1941.**

Fund.	Balance, 1st July, 1940.	Receipts during Year.	Payments during Year.	Balance, 30th June, 1941.
	£	£	£	£
Hospital Fund (<i>see</i> Return No. 32)...	25,154	313,719	333,313	5,560
Forest Improvement and Reforestation Fund (<i>see</i> Return No. 33) ...	100,164	62,076	64,387	97,853
Road Funds (<i>see</i> Return No. 34) ...	115,847	884,820	755,112	245,535
Metropolitan Markets Trust ...	876	28,974	(a) 28,918	932
Fremantle Harbour Trust ...	...	500,701	(b) 500,701	...
Bunbury Harbour Board ...	3,651	24,673	(c) 25,445	2,879
	245,692	1,814,963	1,707,876	352,779

(a) Includes payments on account of—Interest, £ 7,812; Sinking Fund, £871; and Profits, £632.

(b) Includes payments on account of—Interest, £144,107; Sinking Fund, £20,000; Replacement Fund, £2,000; and Surplus Cash, £27,153.

(c) Includes payments on account of—Interest, £500.

[Return No. 32.]

HOSPITAL FUND.—TRANSACTIONS DURING THE YEARS 1936-37 TO 1940-41.

	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.
<i>Receipts.</i>	£	£	£	£	£
Balance from previous year ...	...	7,889	17,465	2,634	25,154
Hospital Tax Collections ...	234,599	245,660	264,072	271,689	284,910
Treasury Grants ...	...	12,936	1,502	61,000	26,703
Recoup of Expenditure on Buildings ...	28,085	7,000	25,000	...	...
Miscellaneous Receipts ...	8,369	780	...	3,080	2,106
Overdraft at end of year ...	...	...	...	...	...
	271,053	274,265	308,039	338,453	338,873
<i>Payments.</i>					
Overdraft at beginning of year ...	23,021	...	...	...	...
Administration Expenditure ...	4,233	4,569	4,481	4,555	5,198
Hospitals Expenditure—					
Departmental ...	89,241	91,898	123,978	128,138	110,885
Non-Departmental Subsidies, etc.	143,694	160,245	174,658	180,606	199,091
Miscellaneous ...	2,975	88	2,238	...	9,139
Balance at end of year ...	7,889	17,465	2,684	25,154	5,560
	271,053	274,265	308,039	338,453	338,873

[Return No. 32.]

FORESTS IMPROVEMENT AND RE-FORESTATION FUND—TRANSACTIONS DURING THE YEARS 1936-37 TO 1940-41.

	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.
<i>Receipts.</i>	£	£	£	£	£
Balance from previous year ...	78,364	80,512	89,043	88,814	100,164
Appropriation from Revenue Fund ...	46,594	54,765	46,964	49,234	53,230
Sundry Receipts ...	4,451	14,026	4,970	16,375	8,846
	129,409	149,303	140,977	154,423	162,240
<i>Payments.</i>					
Expenditure on Forest Improvements and Re-forestation during the year ...	48,897	60,260	52,183	54,259	64,387
Balance at end of year ...	80,512	89,043	88,814	100,164	97,853
	129,409	149,303	140,977	154,423	162,240

[Return No. 34.]

ROAD FUNDS.—TRANSACTIONS DURING THE YEAR 1940-41.

	Main Roads Contri- butions Trust Account.	Metro- politan Traffic Trust Account.	Transport Co-ordina- tion Fund.	Federal Aid Roads Agree- ment Account.	Total.
	£	£	£	£	£
Balances from Year 1939-40	2,924	14,877	321	97,725	115,847
Receipts during Year—					
License Fees and Permits ... ..	...	181,298	23,985	...	205,283
Contributions by Local Authorities ...	370	...	...	...	370
Premiums on Omnibus Routes ... ..	...	...	220	...	220
Commonwealth Grant ... ..	...	...	...	678,617	678,617
Miscellaneous Receipts ... ..	...	...	2	...	2
Other Receipts in Suspense ... ..	...	...	328	...	328
	3,294	196,175	24,856	776,342	1,000,667
Transfers to other Funds ... ..	...	37,667	...	...	37,667
Transfers from other Funds	37,667	...	...	...	...
Totals	40,961	158,508	24,856	776,342	1,000,667
Payments during Year—					
Administration, Plant, Office Equip- ment, etc. ... ..	...	22,689	6,443	30,054	59,136
National Debt Commission Sinking Fund ... ..	...	...	...	17,623	17,623
Treasury—Interest, Sinking Fund, and Premiums ... ..	...	7,400	220	...	7,620
Road Construction, Maintenance, Surveys, etc.	37,000	7,400	...	493,286	538,586
Distributions to Local and Statutory Authorities ... ..	...	114,280	16,224	...	130,510
Other Payments in Suspense ... ..	...	...	255	...	255
Subsidies paid for the operation of various Road Transport Services ...	...	...	1,382	...	1,382
	37,900	151,725	24,524	540,963	755,112
Balances in hand at 30th June, 1940-41	3,061	6,783	332	235,379	245,555

[Return No. 35.]

TOTAL NET COLLECTIONS OF STATE TAXATION TAKEN TO THE CONSOLIDATED REVENUE FUND, TRUST ACCOUNTS, AND SPECIAL ACCOUNTS, FOR THE YEAR ENDED 30TH JUNE, 1941.

Particulars.	Paid to C.R. Fund.	Paid to Trust or Special Accounts.	Total.	Taxation per Head. (a)
	£	£	£	£ s. d.
Probate and Succession Duties	164,636	...	164,636	0 7 0
Other Stamp Duties	235,666	...	235,666	0 10 1
Land Tax	120,515	...	120,515	0 5 2
Income Tax—				
State Income Tax and Dividend Duty (b)	2,059,485	...	2,059,485	4 7 11
Financial Emergency Tax (c)	284,025	...	284,025	0 12 2
Hospital Tax (d) ... ..	...	284,910	284,910	0 12 2
Liquor Licenses	88,478	...	88,478	0 3 9
Racing—				
Entertainments Tax on Admission ...	9,648	...	9,648	0 0 5
Stamp Duty on Betting Tickets	8,808	...	8,808	0 0 5
Income Tax on Stakes	1,460	...	1,460	0 0 1
Totalisator Duty	47,965	...	47,965	0 2 0
Totalisator Licenses	651	...	651	...
Stamp Duty on Tote Dividends	408	...	408	...
Motor Taxation	21,414	435,437	456,851	0 19 6
Other Vehicles ... ..	...	7,147	7,147	0 0 4
Entertainments	85,843	...	85,843	0 3 8
Vermis Tax ... ..	...	20,752	20,752	0 0 11
Licenses, not elsewhere included	15,980	...	15,980	0 0 8
	3,144,982	748,246	3,893,228	8 6 3

(a) Based on population as at 31st December, 1940, viz., 468,311.

(b) Income Tax—Stamp Sales and Deductions, £504,493; Assessments, £1,369,179; Gold Mining Profits Tax, £185,813.

(c) Financial Emergency Tax:—Stamp Sales and Deductions, £31,604; Assessments, £252,421.

(d) Hospital Tax:—Stamp Sales and Deductions, £174,395; Assessments, £110,515

(Return No. 56.)

STATEMENT SHOWING RECEIPTS FROM COMMONWEALTH, 1901-02 TO 1940-41.

Year.	Contri- bution to Sinking Fund.	Contri- bution towards Interest.	Surplus Revenue Re- turned.	Payment per Head, 25/-.	Special Payment to W.A.	Interest on Trans- ferred Prop- erties.	Dis- abilities Grant.	Total.
PERIOD COVERED BY BRADDON CLAUSE.								
*1901-02 to 1910-11	£ ...	£ ...	£ †8,872,722	£ ...	£ ...	£ ...	£ ...	£ 8,872,722
PERIOD COVERED BY PER CAPITA PAYMENTS AND SPECIAL PAYMENT TO W.A.								
1911-12 to 1926-27	... |	... |	... |	6,832,264	2,556,248	462,010	565,905	10,216,427
PERIOD COVERED BY FINANCIAL AGREEMENT ACT.								
1927-28 ...	77,908	1483,286	...	...	...	25,775	300,000	886,969
1928-29 ...	91,598	1483,678	...	...	...	47,868	300,000	903,044
1929-30 ...	97,863	473,432	...	...	...	...	300,000	871,295
1930-31 ...	106,166	473,432	...	...	...	...	300,000	879,598
1931-32 ...	118,946	473,432	...	...	...	...	300,000	892,378
1932-33 ...	126,781	473,432	...	...	...	...	500,000	1,100,213
1933-34 ...	136,826	473,432	...	...	...	...	600,000	1,210,258
1934-35 ...	143,871	473,432	£133,000	...	...	...	600,000	1,350,303
1935-36 ...	151,247	473,432	£35,000	...	...	...	800,000	1,459,679
1936-37 ...	157,016	473,432	£33,000	...	...	...	500,000	1,183,448
1937-38 ...	162,524	473,432	...	...	...	...	575,000	1,210,956
1938-39 ...	167,013	473,432	...	...	...	...	570,000	1,210,445
1939-40 ...	174,765	473,432	...	...	...	...	595,000	1,243,197
1940-41 ...	177,423	473,432	...	...	...	...	650,000	1,300,855
Total, 14 years ...	1,889,947	6,628,048	201,000	...	...	73,643	6,890,000	15,682,638

* First complete year under Federation. † Including £868,963 from Special Tariff provided under the Constitution of the Commonwealth for 5 years after the imposition of uniform Customs duties.
 ‡ Special payment under States Grant Act, pending passing of the Financial Agreement Act.
 § Proportion of Commonwealth Surplus distributed to States.

GRANTS FOR ROADS, UNEMPLOYMENT, AND ASSISTANCE TO INDUSTRIES FOR YEAR 1940-41—PAID TO TRUST FUNDS.

<i>Federal Roads Agreement Act—</i>				£	£
Contribution from Petrol Tax :					
For Roads	...	...	...	660,994	
For Sinking Fund	...	...	...	17,823	
					678,617
<i>Assistance to Industries—</i>					
Relief to Primary Producers	...	...	...	490,038	
Rural Relief	...	...	...	65,000	
Assistance to Banana Growers	...	...	...	500	
Encouragement to Mining	...	...	...	111,000	
					666,538
<i>Other Grants—</i>					
Local Public Works	...	...	...	6,850	
Die Back Investigation	...	...	...	607	
Tobacco Investigation	...	...	...	2,250	
					9,507
					1,354,662

Service.	Loan Liability.	Expenditure :					Receipts.	Net Ex- penditure.	Cost per Head. (*)
		Indirect.		Direct.		Total.			
		Interest and Ex- change.	Sinking Fund.	Con- solidated Revenue Fund.	Trust and Special Accounts.				
1.—Education—	£	£	£	£	£	£	£	£	£ s. d.
(a) Education Department and Schools ...	1,390,315	59,626	7,053	741,961	...	808,640	16,205	792,435	1 13 10
(b) University	34,115	1,463	176	43,130	...	44,769	...	44,769	0 1 11
(c) Technical Education	100,321	4,302	494	67,989	...	72,785	4,023	68,762	0 2 11
(d) Agricultural Education	100,686	4,318	514	24,029	...	28,861	10,728	18,133	0 0 9
(e) Library, Museum, Observatory ...	35,956	1,541	186	9,756	...	11,483	530	10,953	0 0 5
(f) Deaf, Dumb and Blind	884	38	5	3,300	...	3,343	...	3,343	0 0 2
Total 1	1,662,277	71,288	8,428	890,165	...	969,881	31,486	938,395	2 0 0
2.—Health, Hospitals, and Charities—									
(a) Public Health ... ..	...	...	...	39,888	...	39,888	12,533	27,355	0 1 2
(b) Care of Sick and Mentally Afflicted, Health of Mothers and Children	1,588,898	68,143	7,485	165,904	399,148	640,680	(†) 98,020	542,660	1 3 2
(c) Recreation Facilities ... ..	...	...	...	8,300	...	8,300	...	8,300	0 0 4
(d) Relief of Aged, indigent and Infirm, Child Welfare	88,814	3,808	458	158,950	...	163,216	34,225	128,991	0 5 6
(e) Miner's Phthisis ... ..	...	...	...	65,766	...	65,766	25,000	40,766	0 1 9
(f) Natives... ..	82,771	3,550	298	63,045	...	66,893	11,287	55,606	0 2 5
(g) Unemployment Relief ... ..	...	...	...	35,797	...	35,797	391	35,406	0 1 6
Total 2	1,760,483	75,501	8,241	537,650	399,148	1,020,540	181,456	839,084	1 15 10
3.—Law, Order and Public Safety—									
(a) Administration of Justice	44,099	1,891	228	90,036	...	92,155	117,450	Cr. 25,295	Cr. 1 1
(b) Police	191,097	8,196	967	266,731	...	275,894	53,504	222,390	0 9 6
(c) Gaols and Reformatories	54,545	2,340	282	35,801	...	38,423	2,520	35,903	0 1 7
(d) Public Safety ... ..	...	...	...	26,042	...	26,042	12,020	14,022	0 0 7
Total 3	289,741	12,427	1,477	418,610	...	432,514	185,494	247,020	0 10 7
GRAND TOTAL	3,712,501	159,216	18,146	1,846,425	399,148	2,422,935	398,436	2,024,499	4 6 5

(*) Based on Population as at 31st December, 1940, viz., 468,311.

(†) Includes £65,835 Patients' Fees paid to Hospital Fund.

[Return No. 88.]

RAILWAYS.—STATEMENT SHOWING TONNAGE AND EARNINGS ON GOODS CARRIED.

Class of Goods.	1940-1941.		1939-1940.		1938-1939.		1937-1938.		1936-1937.	
	Tonnage.	Percentage of Total.	Tonnage.	Percentage of Total.	Tonnage.	Percentage of Total.	Tonnage.	Percentage of Total.	Tonnage.	Percentage of Total.
Coal, Coke, and Charcoal	257,389	9.88	287,203	10.05	299,048	10.46	307,096	10.03	282,561	10.10
Ores and other Minerals	192,456	7.39	252,030	9.48	280,478	9.81	297,075	9.70	309,263	11.04
Wool	28,696	1.10	31,430	1.18	28,426	0.99	26,714	0.87	24,840	0.89
Hay, Straw, and Chaff	39,931	1.53	39,045	1.47	45,074	1.58	42,469	1.39	57,896	2.07
Wheat	681,758	26.18	671,453	25.25	750,495	26.24	783,838	25.11	485,006	17.35
Other Grain and Flour	162,088	6.23	159,568	6.00	163,449	5.72	140,378	4.58	135,089	4.76
Firewood	43,407	1.67	43,117	1.62	43,495	1.52	161,312	4.04	242,234	8.66
Local Timber	348,063	13.37	298,424	11.22	317,339	11.10	403,663	13.18	351,835	12.56
Imported Timber	985	.04	1,571	0.06	2,298	0.08	1,810	0.06	1,428	0.05
Fruit and Garden Produce	88,171	3.39	95,810	3.60	118,062	4.13	80,308	2.62	85,980	3.07
Fertilisers	251,053	9.64	271,509	10.21	279,563	9.78	293,574	9.59	253,283	9.23
All other goods	509,860	19.58	527,716	19.86	531,414	18.69	543,684	17.93	565,103	20.21
Total	2,603,857	100.00	2,658,876	100.00	2,859,141	100.00	3,061,921	100.00	2,798,448	100.00

Class of Goods.	1940-1941.		1939-1940.		1938-1939.		1937-1938.		1936-1937.	
	Earnings.	Percentage of Total.	Earnings.	Percentage of Total.	Earnings.	Percentage of Total.	Earnings.	Percentage of Total.	Earnings.	Percentage of Total.
Coal, Coke, and Charcoal	£ 152,020	5.92	£ 158,344	5.94	£ 179,659	6.87	£ 180,670	6.52	£ 160,780	6.33
Ores and other Minerals	72,872	2.84	86,693	3.25	96,386	3.68	109,922	3.97	100,117	3.94
Wool	75,628	2.95	85,927	3.22	74,079	2.75	69,906	2.52	63,762	2.61
Hay, Straw, and Chaff	34,317	1.34	38,169	1.24	38,498	1.43	36,537	1.32	49,860	1.96
Wheat	448,112	17.46	451,073	16.93	478,759	17.76	495,174	17.88	314,465	12.37
Other Grain and Flour	87,390	3.40	90,774	3.42	95,535	3.55	82,275	2.97	77,823	3.06
Firewood	10,783	.42	10,673	0.40	10,929	0.41	13,734	0.50	15,524	0.61
Local Timber	296,903	11.57	250,281	9.39	255,451	9.48	316,131	11.42	287,844	11.33
Imported Timber	1,828	.05	8,558	0.13	3,190	0.12	2,281	0.08	2,239	0.09
Fruit and Garden Produce	101,603	3.96	110,466	4.15	126,367	4.69	99,524	3.60	104,605	4.12
Fertilisers	67,378	2.63	73,555	2.76	75,735	2.81	79,934	2.89	71,812	2.83
All other goods	1,218,519	47.46	1,310,161	49.17	1,258,896	46.73	1,283,033	46.33	1,292,355	50.85
Total	£2,566,803	100.00	£2,664,674	100.00	£2,693,484	100.00	£2,769,401	100.00	£2,541,170	100.00

[16 SEPTEMBER, 1941.]

[Return No. 39.]

TRADE, PRODUCTION, POPULATION, ETC.

	1930-31.	1931-32.	1932-33.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39.	1939-40.	1940-41.
Railway and Tram- way Revenue	£3,425,220	£3,183,977	£3,203,018	£3,165,593	£3,562,357	£3,711,597	£3,754,454	£3,932,510	£3,833,367	£3,802,385	£3,908,540
Railway Mileage (Route)	4,179	4,235	4,338	4,360	4,359	4,358	4,357	4,376	4,378	4,381	4,381
Wool exported ...	£2,386,538	£2,345,570	£2,553,592	£4,810,846	£3,413,589	£4,671,736	£4,164,433	£3,161,540	£3,270,580	(a)	(a)
Wool produced (c)— (quantity)—lbs.	71,541,885	71,614,145	75,147,012	78,424,200	89,991,858	85,708,700	93,537,200	64,739,400	72,475,000	75,400,000	69,427,000
(value)	£2,397,766	£2,504,406	£2,601,985	£5,103,128	£3,419,308	£4,793,147	£4,020,713	£3,183,941	£2,962,890	£4,054,729	£3,865,406
*Wheat produced (bushels)	53,504,149	41,521,245	41,791,866	37,305,100	29,985,000	23,315,417	21,549,000	36,224,800	36,843,600	40,861,000	21,048,000
Wheat produced (value)	£6,152,977	£6,477,314	£6,352,364	£5,483,650	£4,317,600	£4,639,768	£5,047,524	£7,426,084	£4,494,919	£7,280,316	£4,009,732
*Hay produced ...	491,595	453,353	485,368	512,439	462,947	504,571	412,982	450,419	437,809	475,677	†375,000
(tons)											
Gold produced (b) ...	£2,235,761	£3,794,035	£4,610,376	£5,306,102	£5,213,894	£6,713,027	£8,191,168	£9,438,078	£10,784,852	£12,957,448	£12,000,027
Coal produced ...	£871,956	£281,174	£292,285	£269,302	£297,581	£334,797	£326,756	£362,196	£371,713	£361,152	£367,403
Other Minerals pro- duced (c)	£28,176	£19,608	£47,348	£85,178	£63,391	£113,140	£140,446	£200,817	£187,592	£129,636	†£159,738
Timber exported ...	£503,696	£357,953	£258,510	£484,241	£631,228	£675,982	£699,613	£932,394	£721,941	(a)	(a)
Timber produced ...	£832,804	£418,975	£437,213	£683,301	£987,231	£1,161,031	£1,368,591	£1,425,342	£1,341,975	£1,317,031	(c)
‡Number of Sheep...	9,882,761	10,098,104	10,417,031	10,322,350	11,197,156	11,082,972	9,007,535	8,732,076	9,177,531	9,574,443	†9,513,273
‡Number of Cattle...	812,844	826,532	857,473	885,669	912,016	882,761	792,508	740,241	767,680	790,175	†789,111
‡Number of Horses	156,973	156,489	157,443	159,646	161,636	160,181	155,177	151,067	143,679	139,207	†130,097
Area of land selected (acres)	1,024,787	583,572	463,356	351,313	310,170	281,921	521,117	718,823	627,443	305,212	346,365
Area of land leased (acres)	3,253,044	3,482,791	3,281,418	7,643,050	5,327,978	4,613,172	3,926,517	3,888,060	3,201,701	2,795,088	2,509,275
Area of land under cultivation (d)	14,407,756	14,212,769	14,196,094	14,624,656	14,528,108	14,906,055	15,216,219	15,677,822	15,850,838	16,109,919	†16,000,000
* Area of land under crop (acres)	4,792,017	3,981,459	4,261,047	4,216,360	3,838,618	3,724,308	3,849,841	4,185,952	4,681,242	4,234,783	†3,987,000
Tonnage Shipping, Inwards	3,687,357	3,555,403	3,549,604	3,564,705	3,757,174	3,827,038	3,729,523	4,104,922	4,251,368	(a)	(a)
Tonnage Shipping, Outwards	3,686,229	3,530,279	3,563,879	3,567,884	3,775,162	3,831,105	3,773,586	4,111,171	4,326,529	(a)	(a)
Exports, including Gold	£17,975,502	£18,296,036	£15,537,412	£17,291,577	£16,879,168	£18,891,679	£20,991,133	£23,100,537	£23,006,410	(a)	(a)
Exports, excluding Gold	£11,238,168	£11,374,476	£10,803,066	£11,904,496	£11,717,923	£12,165,281	£13,040,135	£13,746,172	£12,296,535	(a)	(a)
Imports ...	£10,879,854	£10,655,821	£12,186,780	£12,832,517	£14,226,405	£16,111,631	£18,028,350	£19,334,013	£18,048,238	(a)	(a)
Savings Bank De- posits	£9,636,023	£7,864,997	£7,447,503	£8,182,395	£8,067,677	£9,468,344	£9,716,932	£10,004,412	£10,602,936	£10,039,271	†£10,192,929
Savings Bank With- drawals	£10,877,719	£8,794,317	£7,747,633	£7,988,122	£8,501,441	£8,958,575	£9,425,588	£9,853,281	£10,285,055	£10,641,171	†£9,658,775
Population end of Financial Year	432,183	435,111	438,852	442,027	445,092	450,243	454,231	460,161	465,429	467,855	†469,000

* Season ended 28th February. † As at 31st December of year first mentioned. ‡ Preliminary figures, liable to slight revision. (a) Information not available for publication.
 (b) Australian Currency Value. (c) Calendar year first mentioned. (d) Area cropped, cleared, fallowed, ringbarked, etc. (e) Not yet available.
 ‡ Based on Value of Season's Wheat exported to 31st July, 1940.