

EXPENDITURE						£(000)	£(000)	£(000)
Permanent Appropriations—								
Debt services—								
Interest and management						18,153		
Repayment						4,249		
							22,402	
Other special Acts							2,985	
								25,387
Annual votes—								
Social Services							34,737	
Reinstated vote for Navy							1,200	
Reinstated vote for Army							2,862	
Reinstated vote for Air							3,833	
New vote for stabilization							13,789	
Other votes							17,657	
								74,078
								99,465
Supplementary estimates and contingencies								917
								<u>£100,382</u>

Receipts

Commenting briefly on the major items, Customs duty, beer duty, and sales tax continue to increase, and I have allowed for this in the current year's revenue estimates. Highways revenue also is brought in at a higher figure due to anticipated increased consumption of petrol. Stamp duty, which last year was approximately £500,000 over the estimate, due mainly to increased receipts from racing taxation, is shown at a slightly increased figure. The income-tax figure takes into account the upward trend that has been evident for many years, but due consideration has been given to the tapering-off of the rate of increase. The reduction due to the increased wife's exemption has been allowed for, as well as the new tax reductions which I will outline in a few moments.

The remaining heading of taxation requiring any comment is the national security tax. Last year this was at the rate of 1s. 6d. in the £1 and produced £21,738,000. One-third of that tax has now been remitted, one-third transferred to the Social Security Fund, and the other third will this year be payable into the Consolidated Fund towards meeting continuing war costs, such as war debt charges, war pensions, &c.

Interest receipts will be lower this year due mainly to the adverse position of railway revenue, thus affecting the ability of that undertaking to meet interest on its capital.

As an offset to this, however, we now have the increased revenue from dividends of the Bank of New Zealand, which are brought in under the heading "Profits of Trading Undertakings." These are now shown separately, and include Reserve Bank, Post Office, and State Advances Corporation profits.