

What these tax reductions mean to the individual taxpayer is illustrated by the following comparisons of residue left after direct taxes have been paid and family benefit has been added:—

Gross Earned Income.	Residue for Year Ended 31st March,		Amount of Increase in Residue.
	1946.	1949.	
<i>Taxpayer With Dependent Wife and One Child</i>			
£	£	£	£
400	334	396	62
500	403	476	73
600	470	552	82
800	600	700	100
<i>Taxpayer With Dependent Wife and Two Children</i>			
400	342	422	80
500	413	511	98
600	480	587	107
800	612	736	124
<i>Taxpayer With Dependent Wife and Three Children</i>			
400	376	448	72
500	421	540	119
600	490	621	131
800	624	771	147

In addition to the relief from direct taxes there is the considerable benefit to consumers from lower tariffs, duties, and sales tax consequent upon reductions made by the Government, and by the operation of the General Agreement on Tariffs and Trade. The value of remissions of indirect taxes since the war amounted to £12 million, giving a total over-all reduction in taxes of approximately £46 million per annum.

Honourable members will appreciate that these reductions in taxation represent a considerable concession to taxpayers without interfering with our high social standards and needs for defence.

Remission of certain amusements-tax

Amusements-tax is payable in respect of certain amateur sports and amateur musical and operatic functions. From the information available the Government is satisfied that activities of this kind merit exemption from taxation. Legislation to this end will therefore be introduced during this session.

Insurance against national disasters

In accordance with the Government's promise last year, it is proposed to extend the cover under section 14 of the Earthquake and War Damage Act, 1944, to insured property damaged as the direct result of storm or flood which is of an abnormal and unforeseen nature.