

LAND AND INCOME TAX DEPARTMENT.

The net receipts in this Department for the past year amounted to £7,927,668 (land-tax £1,557,903, income-tax £6,369,765, including £9,660 penal tax imposed under section 144 of the Land and Income Tax Act, 1916, for evasion), and compared with the collection for the previous year show an increase of £195,639.

LAND-TAX.

The land-tax receipts compared with those of 1918-19 show an increase of £45,210. The comparison is as follows:—

				£
1919-20	....	....	....	1,557,903
1918-19	....	....	....	1,512,693
			Increase of	<u>£45,210</u>

This increase is attributable to the increased value of land in districts revised under the provisions of the Valuation of Land Act, 1908, and would no doubt have been greater but for the dispositions by way of sale in consequence of the strong demand for land.

INCOME-TAX.

The income-tax receipts compared with those of 1918-19 show an increase of £150,429. The comparison is as follows:—

				£
1919-20	....	....	....	6,369,765
1918-19	....	....	....	6,219,336
			Increase of	<u>£150,429</u>

The increase is due to the increased incomes of taxpayers, and in part to the closer inspection of taxpayers' returns made by the Department.

MENTAL HOSPITALS.

The total expenditure for the year under this heading was £303,755; but the credits, mainly receipts for maintenance and sales of produce and stock, amounted to £112,951, leaving a net expenditure of £190,804. This small net increase is due to record credits—£41,084 in excess of the previous year, which hitherto had been the highest reached. As a matter of fact, there has been a considerable increase in expenditure over the previous year, principally for salaries, wages, and remuneration of the staff.

DEPARTMENT OF PUBLIC HEALTH, HOSPITALS, AND CHARITABLE AID.

Under the vote "Public Health, Hospitals, and Charitable Aid" a decrease of over £200,000 in this year's requirements as compared with the past year is anticipated. Charges due to the influenza epidemic amounted to a net sum of £194,000. Further provision for about £1,000 will be required for the current year to cover unsettled claims, but the amount so provided will be considerably reduced by recoveries from sales of equipment.

The provision for relief to epidemic widows and widowers and their dependants will be reduced to meet pensions and allowances accrued to the end of the last financial year only, as from the 1st April last the Pensions Department undertakes this relief.

During the past year assistance was given to several institutions which are carrying out necessary relief, and whose finances were strained by war conditions. The calls for Government assistance are, however, becoming less frequent.

HOSPITAL SUBSIDIES.

With respect to the question of subsidies to Hospital Boards the Government is satisfied the present system presents anomalies. Legislation will therefore be introduced for the purpose of placing subsidies on a more