

The total amount available during the financial year was £4,667,256, consisting of—

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Balance brought forward	406,711
Revenue from taxation	4,224,965
Interest and other miscellaneous receipts	35,580
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	£4,667,256
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Of the total taxation revenue, amounting to £4,224,965, the sum of £440,562 was received from the registration levy, £2,590,832 from wages tax, and £1,193,571 from the special charge on “other income.” The total revenue from taxation was £304,939 in excess of that received during the previous financial year, although during that year the tax was imposed at the rate of 10d. in the pound for the first six months as against 8d. in the pound since then. The improvement in the revenue from wages tax indicates that salaries and wages were increased by some £12,000,000, while the receipts from the charge on “other income” reflect an increase of over £8,700,000 in the incomes of those persons liable for this tax.

Disbursements from the Fund for last year totalled £4,414,011, made up as follows :—

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Wages and other payments under various schemes ..	2,601,739
Food, clothing, and other necessities	27,446
Sustenance payments	1,557,215
Sundry loans and grants	73,440
Christmas bonus and other miscellaneous payments	77,726
Administration expenses	76,445
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	£4,414,011
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For the current financial year it is estimated that, on the present basis of taxation, the revenue will amount to £5,180,000, the increase of £919,000 over the receipts for last year reflecting the increase in the amount of salaries, wages, and other income. The additional resources anticipated will enable more to be done in the direction of providing full-time work at standard rates of pay, and the Acting Minister of Labour has recently visited various parts of the Dominion for this purpose. It will also provide some foundation for the new proposals in connection with the National Superannuation, Health, and Unemployment Scheme.

WAGE AND SALARY RESTORATIONS.

While consideration has necessarily been given to the promotion of employment, the Government have been by no means unmindful of the interests of the great majority who are in normal employment. In the past wage and salary earners have been the first to suffer from the effects of a depression and the last to benefit by an improvement. Increased salaries and wages.

Objection to wage and salary restorations is often based on the effect on prices. It is assumed that the wage and salary restorations are the sole cause of increased prices. This view is erroneous. The relative statistics disclose that substantial increases have in fact taken place in the price of imported goods, which are now up to the 1930 level. There has also been some increase in prices of locally produced goods, but this has been the experience of other countries the world over. In any case, increased prices for our exports involve increased prices internally for the same classes of goods. The test, however, is real purchasing-power. Comparing June, 1937, with June, 1935, purchasing-power in New Zealand as expressed in wages has increased by 9 per cent., whereas in both Great Britain and Australia the purchasing-power of wages has shown a slight decline. Higher overseas costs.