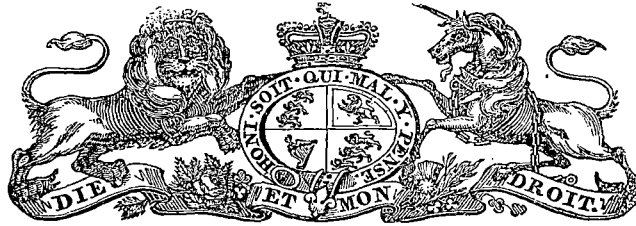


(No. 42A.)



1897.

SESSION II.

PARLIAMENT OF TASMANIA.

FEDERAL FINANCE:

PROBABLE RESULTS FROM DISTRIBUTION OF SURPLUS
FEDERAL REVENUE ON THE BASIS OF POPULATION.

(With Addenda.)

Presented to both Houses of Parliament by His Excellency's Command.

Cost of printing—18s.



FEDERAL FINANCE.

DISTRIBUTION OF SURPLUS REVENUE and Charge of Federal Expenditure,
all on a *per capita* basis from the date of Proclamation of the Commonwealth.

FOUR COLONIES, Annual Mean of Years 1893-4-5, obviously excluding
West Australia and Queensland.

The adoption by Federal Parliament of an uniform Tariff equivalent to that of Tasmania, 1894, will give
the results shown by figures in parentheses.

| £ | £ | £ | £ |
|--------------------------------------|-------------------|--------------------------------|--------------------------------------|
| (1,550,000) Federal Expenditure..... | 1,550,000 | Customs and Excise | 5,101,710 |
| (4,923,473) Surplus divisible | 3,046,156 | Less Intercolonial Freetrade.. | 605,554 |
| <u>(6,473,473)</u> | <u>£4,596,156</u> | | <u>£4,596,156</u> <u>(6,473,473)</u> |

| | Population. | Proportion of Surplus. | £ |
|-----------------------|-------------------|------------------------|--------------------|
| | | £ | £ |
| New South Wales | 1,238,011 | 1,292,119 | (2,088,437) |
| Victoria | 1,175,676 | 1,227,053 | (1,983,281) |
| South Australia | 348,785 | 364,030 | (588,377) |
| Tasmania | 156,129 | 162,954 | (263,378) |
| | <u>£2,918,601</u> | <u>£3,046,156</u> | <u>(4,923,473)</u> |

Surplus, £3,046,156, represents about 20s. 10 $\frac{1}{4}$ d. per head.

Commonwealth to discharge all obligations for Interest, and *per contra* take hypothecation of surplus Railway Revenue, *i.e.*, surplus after working expenses are paid; the State managing and paying expenses and collecting Revenue, merely paying over to Commonwealth the surplus earnings.

Commonwealth to be invested with power to raise by Revenue other than Customs such Revenue as will be needed in South Australia and Tasmania to pay their annual debt to Commonwealth.

PROBABLE RESULTS OF TRANSFER. (FOUR COLONIES.)

(Worked out for each State on the basis of the mean of Three years 1893-4-5.)

| Dr. | | Cr. | |
|--|-------------------|------------------------------|--------------------------------------|
| NEW SOUTH WALES. | | | |
| £ | £ | £ | £ |
| (2,158,170) Interest | 2,158,170 | Federal surplus distributed* | 1,292,119 |
| (1,147,214) Balance due to State | 350,896 | Railway net earnings | 1,216,947 |
| <u>(3,305,384)</u> | <u>£2,509,066</u> | | <u>£2,509,066</u> <u>(3,305,384)</u> |

* On the basis of Population.

| £ | VICTORIA. | £ | £ | £ |
|--------------------|----------------------------|-------------------|------------------------------|-------------------------------|
| (1,840,789) | Interest | 1,840,789 | Federal surplus distributed* | 1,227,053 (1,983,281) |
| (1,137,110) | Balance due to State | 380,882 | Railway net earnings | 994,618 (994,618) |
| <u>(2,977,899)</u> | | <u>£2,221,671</u> | | <u>£2,221,671 (2,977,899)</u> |
| SOUTH AUSTRALIA. | | | | |
| (931,573) | Interest | 931,573 | Federal surplus distributed* | 364,030 (588,377) |
| | | | Railway net earnings | 410,937 (410,937) |
| (67,741) | (Balance due to State) ... | | | <u>£774,967 (999,314)</u> |
| <u>(999,314)</u> | | <u>£931,573</u> | Balance due by State | 156,606 |
| | | | | <u>£931,573</u> |
| TASMANIA. | | | | |
| (309,160) | Interest | 309,160 | Federal surplus distributed* | 162,954 (263,378) |
| | | | Railway net earnings | 25,365 (25,365) |
| | | | | <u>£188,319 (288,743)</u> |
| | | | Balance due by State | 120,841 (20,417) |
| <u>(309,160)</u> | | <u>£309,160</u> | | <u>£309,160 (309,160)</u> |

* On the basis of Population.

The year 1898, if the first year of Federation, would, for local Finance, stand thus for Tasmania, 1897 figures:—

| £ | £ | £ |
|---|---|---------------------------|
| (20,417) | Balance to be made good | 120,841 |
| | Total Estimated Expenditure. | 751,165 |
| | Less Customs | 6667 |
| | Post & Telegraph | 65,454 |
| | Railways | 128,000 |
| | Defence | 9552 |
| | Interest | 322,063 |
| <u>(219,429)</u> | | <u>531,736</u> |
| | | 219,429 |
| N.B.—Interest on cost of Works, Defence, Customs, Telegraph Construction, &c., does not enter, because it is included in Federal expenditure. | | |
| <u>(239,846)</u> | | <u>£340,270</u> |
| | Land Tax | 39,400 |
| | Income Tax | 37,300 |
| | Inland Revenue, less Post and Telegraph, &c..... | 44,880 |
| | Fees Departments | 3330 |
| | Fees, other | 110 |
| | Reimbursements | 5400 |
| | Territorial | 59,650 |
| | Reimbursements, Home Government | 1000 |
| | Interest, Public Account . | 5000 |
| | Miscellaneous and Stock . | 1450 |
| | N.B.—Such Revenue as will go to Commonwealth is struck out. | |
| | | <u>£197,520 (197,520)</u> |
| | Deficiency | 142,750 (42,326) |
| | | <u>£340,270 (239,846)</u> |

SUMMARY.

| | | |
|---|----------|-----------------|
| Customs collection, Tasmania— | £ | |
| Mean of 1893-4-5, gross | 311,165 | |
| For 1897, estimated July, 1896 | £335,000 | |
| Bond Rents | 1600 | |
| Excise | 18,500 | |
| | £355,100 | |
| An increase of | ... | 43,935 |
| | | <u>£355,100</u> |
| | £ | £ |
| 1. Deficiency | 142,750 | (42,326) |
| Takes the place of surplus for 1897, estimated at July, 1896 | 34,747 | |
| 2. Increase of Revenue as above, if Commonwealth Customs and Excise increase in same proportion as Tasmania | 43,935 | |
| 3. Customs charges upon people by uniform Tariff and commerce free in Commonwealth, reduced by | 40,000 | |
| 4. Saving by consolidation of Debt | 30,000 | |