

Two public loans bearing interest at $2\frac{1}{2}$ per cent. and 3 per cent., according to the optional periods offered, were raised during 1942-43, and both loans were oversubscribed to bring in a total of £28,000,000. In addition, a further £4,000,000 was raised in small sums by means of national savings.

While in terms of the relative legislation and for convenience in accounting the activities referred to are shown under the appropriate headings, the accounts all derive their receipts largely from the same sources, and in order that honourable members may appreciate the position in its true perspective I will now bring the totals together to form one picture, after adjusting the duplication arising from transfers from one account to another:—

War Loans,
1942-43.Taxation
receipts.

—	Taxation.	Lend-Lease.	Other Receipts.	Loans.	Total Receipts.
	£(m.)	£(m.)	£(m.)	£(m.)	£(m.)
War Expenses Account	41·6	26·8	0·4	78·0	146·8
Consolidated Fund ..	30·9	..	6·2	..	37·1
Social Security ..	16·0	16·0
Total ..	88·5	26·8	6·6	78·0	199·9

Apart from the Consolidated Fund surplus of £1,672,000 for 1941-42, which is included in the War Expenses Account taxation figures which I have quoted, the taxation receipts for 1942-43 totalled £86,800,000. The following summary shows the main headings of such taxation:—

Direct taxes—

On income—

	£(m.)	£(m.)	£(m.)
Income-tax	25·6		
Social security charge	10·4		
National security tax	16·8		
	—	52·8	

Other—

Land-tax	1·0		
Estate duty	3·5		
Succession duty	1·0		
Gift duty	0·2		
Social security registration fee	0·6		
	—	6·3	
		—	59·1

Indirect taxes—

Customs duty	9·4		
Beer duty	2·9		
Sales tax	11·0		
Highways revenue	1·7		
Stamp duties	1·7		
Other	1·0		
	—	27·7	

£86·8

Due to general expansion in incomes and to the increase last year in the surtax for war purposes from 15 per cent. to $33\frac{1}{3}$ per cent., income-tax receipts show an increase of £6,600,000. Largely as a result of raising the rate of national security tax from 1s. to 1s. 6d., the receipts from this tax were greater by £6,300,000. Sales tax produced £3,900,000 more than in the previous year as a result of the increase in the rate on certain classes of items from 10 per cent. to 20 per cent. Other increases were beer duty £1,000,000, estate, succession, and gift duties £900,000, and customs £700,000. These increases were offset by minor reductions totalling £300,000, leaving a net increase of £19,100,000.

It is worthy of emphasis that £59,100,000, or 68 per cent. of the total taxation revenue, was found by way of direct taxes.