

1908.

(SECOND SESSION.)

LEGISLATIVE ASSEMBLY.

NEW SOUTH WALES.

PUBLIC ACCOUNTS

FOR THE

YEAR ENDED 30TH JUNE, 1908,

ACCOMPANIED BY THE

THIRTY-EIGHTH REPORT OF THE AUDITOR-GENERAL

(UNDER THE AUDIT ACT, 1902).

ORDERED BY THE LEGISLATIVE ASSEMBLY TO BE PRINTED,
1 September, 1908.

SYDNEY : WILLIAM APPLEGATE GULLICK, GOVERNMENT PRINTER.

1908.
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ABSTRACTS
OF THE
PUBLIC ACCOUNTS
OF THE
STATE OF NEW SOUTH WALES,
FOR THE
YEAR ENDED 30TH JUNE, 1908.

1908.
(SECOND SESSION.)

LEGISLATIVE ASSEMBLY.
NEW SOUTH WALES.

PUBLIC ACCOUNTS.

(FOR THE YEAR ENDED 30TH JUNE, 1908, WITH 38TH REPORT OF THE AUDITOR-GENERAL.)

The Auditor-General to The Honorable the Speaker of the Legislative Assembly.

Sir,

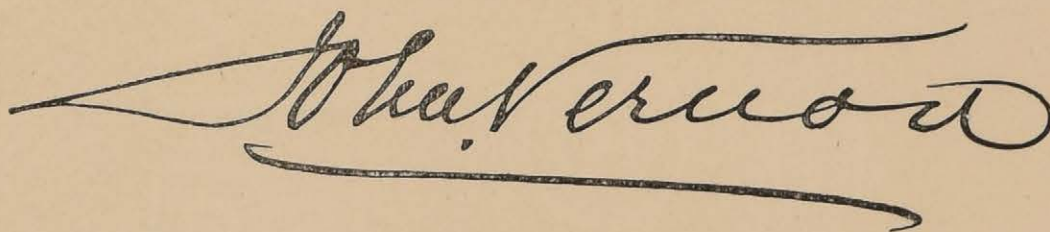
Department of Audit, Sydney, 1st September, 1908.

Under the provisions of the "Audit Act, 1902," I do myself the honor to transmit to you, for presentation to the Legislative Assembly, copy of the Colonial Treasurer's Statement of the Receipts and Expenditure of the Consolidated Revenue and other moneys for the Financial Year ended 30th June, 1908, together with my Report thereon.

I have the honor to be,

Sir,

Your obedient servant,

A large, elegant handwritten signature in dark ink, likely of the Auditor-General, featuring a prominent flourish at the end.

Auditor-General.

The Honorable the Speaker of the
Legislative Assembly,
Macquarie Street,
Sydney.

No. 1.

CASH ACCOUNT.

CONSOLIDATED REVENUE FUND.

ACCOUNT CURRENT

OF

REVENUE, RECEIPTS, AND EXPENDITURE

FOR THE

YEAR ENDED 30TH JUNE, 1908.

THE TREASURER IN ACCOUNT WITH
Account Current of Revenue, Receipts, and

Dr.

Reference Page.	PARTICULARS.	AMOUNT.	TOTAL.
		£ s. d.	£ s. d.
	GOVERNMENTAL.		
	To REVENUE and RECEIPTS (1st July, 1907, to 30th June, 1908):—		
4	Balance of Revenue collected within the State by the Commonwealth Government and returned ...	3,591,371 6 7	
4	Taxation ...	1,077,534 3 1	
5	Land Revenue—		
5	Alienations ...	894,133 19 10	
5	Annual Revenue ...	886,928 1 0	
		1,781,062 0 10	
7	Receipts for Services rendered (outside business undertakings of the State) ...	308,039 0 0	
9	General Miscellaneous Receipts ...	349,442 0 0	
			7,107,448 10 6
	To ADVANCES REPAID on account of year 1906-7, and previous years—		
10	Treasurer's Advance Account 1902-3 ...	3,575 19 5	
10	Do 1906-7 ...	31,525 17 11	
			35,101 17 4
	Total, Governmental...		£ 7,142,550 7 10
	BUSINESS UNDERTAKINGS OF THE STATE.		
	To RECEIPTS from business undertakings of the State—		
10	Railway Commissioners ...	5,975,679 10 4	
10	Do other Repayments (see page 14) ...	2,380 0 0	
10	Sydney Harbour Trust ...	327,578 12 11	
10	Metropolitan Board of Water Supply and Sewerage † ...	504,092 2 3	
10	Hunter District Water Supply and Sewerage Board ...	43,584 10 2	
	Total, Business Undertakings ...		£ 6,853,314 15 8
	Total, Governmental and Business Undertakings ...		£ 13,995,865 3 6
10	To REPAYMENTS to TREASURER'S ADVANCE ACCOUNT, 1906-7, by appropriation taken in 1907-8... ..	44,987 12 0	
10	To REPAYMENT OF ADVANCES in anticipation of Loan Votes, 1907-8 ...	324,597 14 5	
			369,585 6 5
			£ 14,365,450 9 11
	To Balance on 20th June, 1907—Brought forward ...		£ 1,471,344 4 6
	GRAND TOTAL ...		£ 15,836,794 14 5

† Includes £2,855 19s. 4d., Richmond and Wollongong systems, and £1,396 12s. 4d., Botany Leases, not vested in the Board.

The Treasury, New South Wales,
Sydney, 28th July, 1908.C. G. L. BOYCE,
Comptroller of Accounts.

1. ACCOUNT.

THE CONSOLIDATED REVENUE FUND.
Expenditure for the year ended 30th June, 1908.

Cr.

Reference Page.	PARTICULARS.	Payments under Parliamentary authority.	Payments, Treasurer's Advance Vote, to be appropriated.	TOTAL.
		£ s. d.	£ s. d.	£ s. d.
	GOVERNMENTAL.			
	By EXPENDITURE on account of Departments—			
28-29	Special Appropriations ...	857,854 11 8		857,854 11 8
20	Schedules to the Constitution Act ...	40,049 14 10	63 14 0	40,113 8 10
20	Executive and Legislative... ..	29,242 6 10	222 7 10	29,464 14 8
20-22	Colonial Secretary, Labour, and Industry ...	1,055,096 2 9	15,119 5 0	1,070,215 7 9
23-24	Treasurer and Secretary for Finance and Trade ...	386,189 19 0	11,634 10 2	397,824 9 2
24	Attorney-General and Justice ...	324,651 10 0	2,750 13 2	327,402 3 2
25-26	Secretary for Lands ...	335,391 14 9	9,425 7 10	344,817 2 7
26	Secretary for Public Works ...	559,958 8 5	16,326 6 0	576,284 14 5
26-27	Public Instruction ...	1,084,894 16 8	502 9 11	1,085,397 6 7
27	Secretary for Mines and Agriculture ...	160,005 3 2	2,152 3 2	162,157 6 4
	By INTEREST on PUBLIC DEBT—			
28	On Debentures, Funded Stock ...	2,799,237 11 2		
28	On Treasury Bills for Public Works ...	123,081 0 0		
28	Do do for Darling Harbour Resumptions ...	20,074 0 0		
		2,942,392 11 2		
	Less chargeable on Business undertakings of the State ...	2,318,516 9 4		
		623,876 1 10		623,876 1 10
28	Interest on Treasury Deficiency Bills ...	44,451 13 4		
23-28	Do Uninvested Funds in Temporary possession of the Government ...	50,202 18 4		106,166 15 8
23	Do Special Deposit, Savings Bank of New South Wales ...	4,339 0 10		
23	Do Government Banking Account, London ...	30 3 8		
23	Do Compensation Money, Darling Harbour Resumptions ...	7,142 19 6		
	Total, Governmental ...	£ 5,563,377 5 7	58,196 17 1	5,621,574 2 8
	By Payment in Reduction of Public Debt—			
28	The General Sinking Fund ...	350,000 0 0		
28	Redemption of Treasury Bills Deficiency to the 30th June, 1905—			
	Act No. 30, 1905 ...	50,000 0 0		406,145 9 7
29	Repayments to State Debt Commissioners under Act of 1895, 59 Vic. No. 6, on Account of Bogan Scrub Clearing ...	6,145 9 7		
		£ 5,969,522 15 2	*58,196 17 1	6,027,719 12 3
30	By PAYMENTS from TREASURER'S ADVANCE ACCOUNT, 1907-8, to be recovered ...			61,163 3 8
30	By STATE CHILDREN'S RELIEF ACT, No. 61 of 1901... ..			4,049 15 5
	Total, Governmental and Reduction of Debt ...			£ 6,092,932 11 4
	BUSINESS UNDERTAKINGS OF THE STATE.			
	By EXPENDITURE on BUSINESS UNDERTAKINGS of the State—			
	Railway Commissioners—			
24-28	Working Expenses—Payments under Parliamentary authority..	3,324,359 0 0		
30	Do do Payments unauthorised in Suspense (See Statement F) ...	179,545 12 4		
28	Interest on Loan Capital, Railways and Tramways ...	1,781,152 13 3		
	Sydney Harbour Trust—		5,285,057 5 7	
23	Working Expenses—Payments under Parliamentary authority...	90,704 14 10		
35	Do do Treasurer's Advance Vote ...	*131 6 9		
28	Interest on Loan Capital ...	187,907 4 7		
	Metropolitan Board of Water Supply and Sewerage—		278,743 6 2	
26	Working Expenses—Payments under Parliamentary authority..	†139,895 16 10		
28	Interest on Loan Capital... ..	331,171 19 6		
	Hunter District Water Supply and Sewerage Board—		471,067 16 4	
26	Working Expenses—Payments under Parliamentary authority...	14,720 15 10		
28	Interest on Loan Capital ...	18,284 12 0		
			33,005 7 10	
	Total, Business Undertakings ...			£ 6,067,873 15 11
	Total, Governmental and Business Undertakings ...			£ 12,160,806 7 3
29	By APPROPRIATION in adjustment of TREASURER'S ADVANCE ACCOUNT of 1906-7 ...			44,987 12 0
30	By PAYMENTS IN ANTICIPATION OF LOAN VOTES, 1907-8 ...			324,597 14 5
30	By ADVANCE TO COMMONWEALTH GOVERNMENT on account of New South Wales Money Order Business ...			25,000 0 0
29	By Public Works Fund—two-thirds of the net proceeds of the Sale of Crown Lands, 1906-7 (exclusive of Interest), less 20 per cent. ...			408,408 18 6
29	By Public Works Fund—Two-thirds of the net proceeds of the Sale of Crown Lands, 1907-8 (to the 25th June, 1908),—exclusive of Interest—less 20 per cent. ...			346,070 0 0
29	By Transfer to Public Works Fund—Grant in aid ...			650,000 0 0
29	By Transfer to Closer Settlement Fund—Grant in aid ...			200,000 0 0
	TOTAL ...			£ 14,159,870 12 2
122	By Balance on 30th June, 1908—Carried forward ...			1,676,924 2 3
	GRAND TOTAL ...			£ 15,836,794 14 5

* Total Charges, Treasurer's Advance Vote, to be voted, £58,325 3s. 10d. (see page 43).

† Includes £1,101 9s. 6d., Richmond and Wollongong systems, and £257 16s. 1d., Botany Leases, not vested in the Board.

T. WADDELL, Treasurer.

I HEREBY certify that the above Account represents the actual receipts and expenditure of the Treasurer on account of the Consolidated Revenue Fund during the year ended 30th June, 1908, and is in accordance with the requirements of the Audit Act, 1902, Section 58.

Given under my hand, this first day of September, 1908.

JOHN VERNON,
Auditor-General.

A.

CONSOLIDATED REVENUE FUND.

Detail Statement

OF GROSS AND NET REVENUE AND RECEIPTS IN THE YEAR
ENDED 30TH JUNE, 1908, ON ACCOUNT OF THE CONSOLIDATED
REVENUE FUND.

HEAD OF REVENUE.							AMOUNT.	TOTAL.
							£ s. d.	£ s. d.
BALANCE OF REVENUE COLLECTED WITHIN THE STATE BY THE COMMONWEALTH GOVERNMENT, AND RETURNED (SEE PAGE 2)							.....	3,591,371 6 7
TAXATION.								
STAMP DUTIES	...	...	...	...	...	...	606,534 4 10	
	Less	Refunds	...	...	...	...	41,292 8 10	
								565,241 16 0
LAND TAX	...	...	...	...	...	...	184,207 18 11	
	Less	Refunds	...	...	...	...	5,318 10 2	
								178,889 8 9
INCOME TAX	...	...	...	...	...	...	223,856 6 4	
	Less	Refunds	...	...	...	...	8,573 4 6	
								215,283 1 10
LICENSES :—								
To Wholesale Spirit Dealers	...	...	...	...	...	...	5,610 0 0	
To Auctioneers	...	...	...	...	...	...	5,877 17 4	
To Retail Fermented and Spirituous Liquors, including Wine, Cider, and Perry	...	...	...	...	...	...	86,565 16 6	
Billiard and Bagatelle	...	...	...	...	...	...	7,338 0 0	
Hawkers, Pedlars, and Pawnbrokers	...	...	...	...	...	...	3,258 9 6	
Explosives Act of 1905	...	...	...	...	...	...	1,077 15 0	
Tobacco, Cigars, and Cigarettes	...	...	...	...	...	...	3,299 11 0	
Metropolitan Traffic Act, No. 8 of 1900	...	...	...	...	...	...	2,892 19 0	
Gaming and Betting Act, 1906	...	...	...	...	...	...	1,209 0 0	
All other Licenses	...	...	...	...	...	...	1,631 6 6	
							118,760 14 10	
	Less	Refunds	...	...	...	...	640 18 4	
								118,119 16 6
TOTAL, TAXATION (see page 2)							£	1,077,534 3 1
Carried forward							£	4,668,905 9 8

CONSOLIDATED REVENUE FUND.

STATEMENT OF GROSS AND NET REVENUE AND RECEIPTS—continued.

HEAD OF REVENUE.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward .. .. . £	.....	4,668,905 9 8
LAND REVENUE.		
ALIENATIONS.		
AUCTIONS AND SPECIAL SALES :—		
Auction Sales	90,986 0 1	
Newcastle Pasturage Reserve Sales	1,195 2 11	
Improved Purchases, &c.	2,214 2 8	
Miscellaneous Purchases	6,638 19 4	
Conditional Purchases—Deposits and improvements	78,865 15 7	
Do Instalments (inclusive of Interest)	579,161 0 6	
Do Balances	156,531 8 9	
	915,592 9 10	
Less Refunds	21,458 10 0	
TOTAL, ALIENATIONS (see page 2) .. .. .	.....	894,133 19 10
ANNUAL LAND REVENUE.		
INTEREST ONLY ON LAND CONDITIONALLY PURCHASED .. .. .	.....	25,756 6 1
PASTORAL OCCUPATION :—		
Pastoral Leases (Runs)	2,778 15 7	
Conditional Leases	206,016 4 2	
Conditional Purchase Leases	6,531 7 3	
Annual Leases	47,123 19 7	
Occupation Licenses	40,483 10 11	
Homestead Leases	4,498 7 7	
Snow Leases	1,352 16 11	
Inferior Leases	356 10 9	
Scrub Leases	9,247 3 5	
Homestead Selections	75,178 9 6	
Settlement Leases	103,120 1 5	
Improvement Leases	49,018 9 0	
Artesian Well Leases	606 4 5	
Leases under 18th Section of Land Act, 1903... .. .	11,607 11 2	
	557,919 11 8	
Less Refunds	27,403 5 1	
		530,516 6 7
<i>Western Lands Division.</i>		
Occupation Licenses	1,778 9 8	
Homestead Leases	284 18 8	
Western Leases	61,141 7 2	
Other Receipts	2,316 4 4	
	65,520 19 10	
Less Refunds	2,623 12 0	
		62,897 7 10
MISCELLANEOUS LAND RECEIPTS :—		
Timber Licenses, Royalty, &c.	54,204 14 0	
Fees on Transfer of Runs and Leases	1,920 13 0	
Fees on Preparation and Enrolment of Title deeds	10,454 13 0	
Survey Fees	50,456 7 10	
Rents for Special Objects	33,428 10 0	
Quit Rents	1,136 19 9	
Blockholders' Act of 1901 (Rent and Interest)	15 12 6	
All other receipts	36,466 2 9	
	188,083 12 10	
Less Refunds	18,168 15 11	
		169,914 16 11
ANNUAL LAND REVENUE carried forward .. .. . £	.....	789,084 17 5
ALIENATIONS carried forward .. .. . £	.....	894,133 19 10
Carried forward... .. . £	.....	4,668,905 9 8

CONSOLIDATED REVENUE FUND.

STATEMENT OF GROSS AND NET REVENUE AND RECEIPTS—continued.

HEAD OF REVENUE.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward...	£	4,668,905 9 8
LAND REVENUE—continued.		
ALIENATIONS brought forward	£	894,133 19 10
ANNUAL LAND REVENUE brought forward ...	£	789,084 17 5
MINING OCCUPATION—		
Mineral Leases	19,142 6 11	
Mineral Licenses... ..	20 7 6	
Leases of Auriferous Lands	2,173 16 4	
Deposits—Gold and Mineral Dredging Act of 1899 ...	1,265 5 11	
Miners' Rights	3,636 3 0	
Business Licenses	1,184 10 0	
Royalty on Minerals	69,912 7 10	
Residential Leases	1,395 15 9	
Other receipts (including Survey and Appraisalment Fees) ...	5,772 12 1	
	104,503 5 4	
Less Refunds	6,660 1 9	
		97,843 3 7
TOTAL, ANNUAL LAND REVENUE (see page 2) ...	£	886,928 1 0
TOTAL LAND REVENUE (see page 2) ...	£	1,781,062 0 10
RECEIPTS FOR SERVICES RENDERED.		
SYDNEY BRANCH OF ROYAL MINT:—		
Mint Receipts	10,014 0 4	
Fees for Escort and Conveyance of Gold	247 3 6	
		10,261 3 10
AGRICULTURAL COLLEGES AND FARMS ACCOUNT ...		
Less Refunds	£93 5 2	
„ Transfer to General Loan Account ...	1,010 11 6	
	1,103 16 8	
		6,027 0 11
PILOTAGE, HARBOUR DUES, AND FEES:—		
Pilotage	47,407 18 6	
Harbour and Light Rates	43,165 4 9	
Harbour Dues	12,146 18 8	
Navigation Department Fees, &c.	3,576 18 3	
	106,297 0 2	
Less Refunds	280 15 10	
		106,016 4 4
RECEIPTS FOR SERVICES RENDERED carried forward ...	£	122,304 9 1
Carried forward	£	6,449,967 10 6

CONSOLIDATED REVENUE FUND.

STATEMENT OF GROSS AND NET REVENUE AND RECEIPTS—continued.

HEAD OF REVENUE.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward	£	6,449,967 10 6
Brought forward	£	122,304 9 1
RECEIPTS FOR SERVICES RENDERED—continued.		
FEES :—		
Public Instruction Department—School and Training Fees, &c.	4,716 9 4	
Registration of Brands Act	1,949 2 7	
Registrar-General and Examiner of Patents	56,640 3 10	
Curator of Intestate Estates	2,816 4 7	
Registrar in Bankruptcy (percentages)	423 4 2	
Sheriff	4 4 0	
District Courts	1,582 18 3	
Courts of Petty Sessions (including Small Debt Court Fees, &c.)	19,453 13 10	
Shipping Masters	5,791 14 2	
Department of Mines	2,364 15 5	
Public Officers and Examination Fees	2,639 6 4	
Presenting Private Bills to Parliament	190 16 0	
For Registration, &c., of Dogs	16,731 13 2	
Lunacy Act (including percentage)	1,063 15 4	
Imported Stock Act	1,017 15 7	
Cattle Export Act	41 12 6	
Examination Fees under Local Government Shires Act	247 16 6	
Crown Solicitor	886 19 3	
Inspector of Weights and Measures	359 17 5	
Friendly Societies	113 5 0	
Arbitration Court	455 18 0	
Industrial Disputes Act	3 9 0	
Court of Claims	17 4 0	
Fees for Inscription of Stock in Sydney Stock Registers	86 4 9	
Other Fees	146 2 0	
	119,744 5 0	
Less Refunds	516 4 4	
		119,228 0 8
MISCELLANEOUS SERVICES RENDERED :—		
For the support of Patients in the Lunatic Asylums	29,922 8 0	
Collections by the Government Printer	7,396 9 7	
Store Rent and Carriage of Explosives	7,417 15 10	
For Work performed by Prisoners in Gaol	1,294 5 11	
Dock Receipts	1,150 17 5	
Watering Live Stock (Tanks, &c.)	107 5 11	
Rent of Public Watering Places, &c.	5,182 17 3	
Commission on Imperial Pensions	722 13 3	
Commission on payment of Imperial and State Contingent Pay Advances	31 4 11	
Electricity supplied to Government Offices, &c.	266 11 9	
Public Works Department—Cost of supervision of works, surveys, inspection of timber, hire of tools, &c., &c.	2,739 3 5	
For use of Diamond Drills and Water Augers	817 7 6	
For the support of Children in the Industrial Schools, and inmates of Benevolent Asylums, &c.	5,085 15 1	
Testing Cement	526 3 3	
Quarantine Expenses	458 13 0	
Fumigation Fees, &c.	2,426 18 3	
Fees for Dipping Stock	1,069 15 6	
Other Receipts	293 12 10	
	66,909 18 8	
Less Refunds	403 8 5	
		66,506 10 3
TOTAL RECEIPTS FOR SERVICES RENDERED (see page 2) ... ..	.....	308,039 0 0
Carried forward... ..	£	6,758,006 10 6

CONSOLIDATED REVENUE FUND.

STATEMENT OF GROSS AND NET REVENUE AND RECEIPTS—continued.

HEAD OF REVENUE.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward ... .. £	.....	6,758,006 10 6
GENERAL MISCELLANEOUS RECEIPTS.		
RENTS—EXCLUSIVE OF LAND:—		
Tolls and Ferries	638 15 3	
Wharfage, Tonnage Rates, &c. (out ports)	5,987 5 9	
Government Buildings and Premises	9,000 13 3	
	15,626 14 3	
Less Refunds	182 17 8	
		15,443 16 7
FINES AND FORFEITURES:—		
Sheriff	783 19 10	
Courts of Petty Sessions	18,896 6 1	
Confiscated and Unclaimed Property	19 14 10	
Other Fines and Forfeitures	1,143 16 4	
	20,843 17 1	
Less Refunds	187 3 4	
		20,656 13 9
COUNTRY TOWNS SEWERAGE WORKS—Interest ... ..	.....	1,040 11 3
COUNTRY TOWNS WATER SUPPLY WORKS—Interest ... ..	.....	25,533 0 5
WATER RIGHTS RECEIPTS	278 9 3	
Less Refunds	2 0 0	
		276 9 3
CHURCH AND SCHOOL LANDS ACT, 1897 ... ..	.....	966 17 0
PUBLIC SERVICE SUPERANNUATION ACT, No. 8 OF 1903	15,660 7 6	
Less Refunds	2 16 11	
		15,657 10 7
DARLING HARBOUR RESUMPTIONS	46,001 0 10	
Less Refunds	168 14 5	
		45,832 6 5
CENTENARY PARK LAND SALES (Act No. 23 of 1904) ... ..	.....	16,800 0 0
UNCLASSIFIED RECEIPTS:—		
Sale of Government Property	11,155 13 11	
Proceeds of Sale of Resumed and Acquired Lands	62,194 13 6	
Receipts under the Fisheries Act	7,758 8 3	
Pastures Protection Act—(3 per cent.) Contributions towards cost of administering	2,063 1 2	
Sydney Abattoirs—Surplus Revenue	4,000 0 0	
Costs recovered in various actions	3,915 12 10	
Exchange on Letters of Credit	2,139 16 4	
Wentworth Irrigation Area—Rent, Water Rates, &c.	326 3 8	
UNCLASSIFIED RECEIPTS carried forward £	93,553 9 8	
GENERAL MISCELLANEOUS RECEIPTS carried forward £	.....	142,207 5 3
Carried forward ... .. £	.....	6,758,006 10 6

CONSOLIDATED REVENUE FUND.

STATEMENT OF GROSS AND NET REVENUE AND RECEIPTS—*continued.*

HEAD OF REVENUE.			AMOUNT.			TOTAL.		
			£	s.	d.	£	s.	d.
Brought forward...	...	£	.....			6,758,006	10	6
GENERAL MISCELLANEOUS RECEIPTS brought forward...		£	.....			142,207	5	3
UNCLASSIFIED RECEIPTS— <i>continued.</i>								
Brought forward...	...	£	93,553	9	8			
David Berry Estate—Rent of Land, &c.	...		298	18	6			
Barren Jack Reservoir—Ground Rents, &c.	...		221	7	6			
Exchange on Cheques	...		119	6	10			
Tonnage Dues from Cane-growers, Belambil and Duroby Creeks	...		355	8	3			
Rent and Way-leave, Port Kembla Jetty	...		4,284	14	8			
Fees under 50th Regulation, Pastures Protection Act	...		586	9	0			
Conscience Money	...		6	10	0			
Trespass and Driving Charges, Travelling Stock Reserves	...		34	18	2			
Right of depasturing Cattle in the Domain, 1908	...		70	0	0			
Discount on Drafts purchased on London	...		4,125	0	0			
Interest on Bank Deposits and other Temporary Investments of Public Moneys	...		64,896	7	11			
Fractions of Interest	...		72	11	5			
Interest on sale of surplus Lands	...		252	4	10			
Interest on Government Funds used in London for purchase N.S.W. Inscribed Stock Account Commissioners Government Savings Bank of New South Wales	...		347	14	5			
Interest <i>re</i> case <i>Salting v. Stamp Duties</i>	...		396	4	5			
Interest on Works constructed under Water and Drainage Act, 1902	...		1,805	13	0			
Interest on Securities, late Wollongong Harbour Trust	...		198	10	11			
Hay Irrigation Trust—Interest on Loan, Act No. 57 of 1902, Section 35	...		80	0	0			
Interest on Special Advance to Parkes Municipal Council of £250 for Drainage Works, &c.	...		20	0	0			
Interest on cost of Water Works during construction (South Hay Water Works Extension)	...		125	11	2			
Interest on cost, Clay Cliff Stormwater Drain, Granville	...		35	16	10			
Interest on cost of Coonamble Bore purchased by Coonamble Municipal Council	...		118	16	0			
Repayments:—								
Commonwealth Returns Adjustment Account	...		8,310	16	1			
Repayments to credit of Votes, previous years (see pages 11 to 14)	...		14,298	7	11			
Value of materials issued by the Government Stores Department	...		2,060	10	3			
Seed wheat (previous years)	...		1,403	4	3			
Rebate of Shipping Charges, per Messrs. Houlder Bros.	...		1,205	19	1			
Annandale Garbage Destructor—Repayment	...		238	0	0			
Unclaimed Moneys:—								
Transfers under Section 31 of Audit Act, 1902:—								
Seamen's Wages, 1905–1906	...		41	9	11			
Public Works Suspense Account	...		270	19	10			
Deposits under the Mining Act, 1905–1906	...		519	19	0			
Unclaimed moneys, 1905–1906 and previous years	...		911	6	4			
Revenue Suspense Account, 1905–1906	...		524	11	8			
Compensation for Surface Damage, 1901–1902	...		25	9	0			
Sundry Accounts, 1905–1906 and previous years	...		660	15	4			
Unclaimed Poundages, 1903	...		451	11	5			
Gold and Mineral Dredging Advertising Account	...		144	9	9			
Advertising, Real Property Act	...		300	0	0			
Unclaimed Salaries and Wages Account	...		66	7	5			
Balances and Interest, Curator of Intestate Estates	...		9,870	18	11			
Other Unclassified Receipts	...		3,119	17	0			
			216,430	6	8			
Less Refunds	...		9,195	11	11			
						207,234	14	9
TOTAL, GENERAL MISCELLANEOUS RECEIPTS (see page 2)		£				349,442	0	0
TOTAL, NET GOVERNMENTAL REVENUE AND RECEIPTS, CONSOLIDATED REVENUE ACCOUNT (see page 2) carried forward...		£				7,107,448	10	6

CONSOLIDATED REVENUE FUND.STATEMENT OF GROSS AND NET REVENUE AND RECEIPTS—*continued.*

HEAD OF REVENUE.										TOTAL.		
TOTAL NET GOVERNMENTAL REVENUE AND RECEIPTS, CONSOLIDATED REVENUE FUND (see page 2), brought forward										£	s.	d.
										7,107,448	10	6
BUSINESS UNDERTAKINGS OF THE STATE.												
Railways and Tramways :—										£	s.	d.
Railway Tolls						5,007,732	14	10				
Do Miscellaneous						30,455	4	1				
Tramway Tolls						1,006,976	18	5				
Do Miscellaneous						13,750	6	9				
						6,058,915	4	1				
Less Refunds						87,458	12	0				
						5,971,456	12	1				
Repayments to Credit of Votes previous years (see page 14) on account of Working Expenses						4,222	18	3				
						5,975,679	10	4				
Other Repayments (see page 14) ...						2,380	0	0				
									*5,978,059	10	4	
Sydney Harbour Trust :—												
Wharfage and Tonnage Rates, &c. (Sydney)						196,127	5	1				
Rent of Houses, Shops, Wharfs, &c.						113,919	8	5				
Miscellaneous and Bond Charges						18,151	12	2				
						328,198	5	8				
Less Refunds						673	9	11				
						327,524	15	9				
Repayments to Credit of Votes previous years (see page 14)						53	17	2				
									*327,578	12	11	
Metropolitan Board of Water Supply and Sewerage :—												
Water Rates, &c.						287,273	9	6				
Less Refunds						261	15	7				
						287,011	13	11				
Sewerage Rates, &c.						217,151	4	2				
Less Refund... ..						238	12	9				
						216,912	11	5				
						503,924	5	4				
Repayments to Credit of Votes previous years (see page 14)						167	16	11				
									*504,092	2	3	
Hunter District Water Supply and Sewerage Board :—												
Water Rates						45,112	3	2				
Miscellaneous						208	3	11				
						45,320	7	1				
Less Refunds.						1,778	11	6				
						43,541	15	7				
Repayments to Credit of Votes previous years (see page 14)						42	14	7				
									*43,584	10	2	
TOTAL NET BUSINESS UNDERTAKINGS OF THE STATE ...										*£	6,853,314	15 8
TOTAL NET REVENUE AND RECEIPTS, CONSOLIDATED REVENUE ACCOUNT ...										£	13,960,763	6 2
OTHER RECEIPTS.												
ADVANCES REPAYED—												
Treasurer's Advance Account, 1902–1903									*3,575	19	5	
Do 1906–1907									*31,525	17	11	
In anticipation of Loan Votes, 1907–8									*324,597	14	5	
TOTAL						£	359,699	11	9			
In adjustment of Vote Advance to Treasurer, 1906–1907 ...						£	*44,987	12	0			
GRAND TOTAL						*£	14,365,450	9	11			

* See page 2.

Statement B.

CONSOLIDATED REVENUE FUND.

SCHEDULE of REPAYMENTS to the CREDIT of VOTES received during the YEAR ended 30th June, 1908, on account of Year 1906-7, and Previous Years, which have not been carried to account in reduction of payments.

PARTICULARS.	1901-1902 and Previous Years.	1902-3.	1903-4.	1904-5.	1905-6.	1906-7.
GOVERNMENTAL.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
EXECUTIVE AND LEGISLATIVE.						
Legislative Council and Assembly—Contingencies	0 11 6
Legislative Council—Contingencies	1 4 6
COLONIAL SECRETARY'S DEPARTMENT.						
Master in Lunacy—Contingencies	10 14 3
Hospitals and Benevolent Societies equal amount private Contributions	0 10 0
Audit Department—Salaries	7 7 11
Do do Contingencies	3 8 3
Police—Salaries	135 0 1
Do Contingencies	6 0 0	100 1 8
Medical Services—Contingencies	2 2 0
Public Health—Contingencies	2 7 7
Government Asylums—Contingencies	0 10 0	6 19 10	37 0 11
Maintenance of Deserted Children, &c.	7 5 6	16 10 0
Aborigines Protection Board—Contingencies	0 3 3
Burial of Destitute Persons	1 2 0	.....
To meet Payments to Railway Commissioners for Transmission of Destitute Per- sons, &c.	7 16 10	21 7 2
National Park—Improvements, &c.	13 18 1
Rent of Premises for His Excellency the Admiral and Staff	132 18 2
Stores Supply and Tender Board—Contingencies	665 10 3
Board of International Exchanges	1 0 11	0 15 0	.....
Incidental Expenses	1 8 9
Fisheries—Contingencies	0 5 0
Royal Commission—Administration of Lands Department	26 15 1
Carried forward £	1 10 11	29 19 2	1,179 4 5

CONSOLIDATED REVENUE FUND.

SCHEDULE OF REPAYMENTS to credit of Votes 1906-7 and previous Years not used in reduction of payments—*continued.*

PARTICULARS.	1901-1902 and previous years.	1902-3.	1903-4.	1904-5.	1905-6.	1906-7.
GOVERNMENTAL—<i>continued.</i>	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Brought forward... ..	£ .....	.....	.....	1 10 11	29 19 2	1,179 4 5
TREASURY DEPARTMENT.						
Treasury—Contingencies ... ..	.....	.....	.....	.....	.....	8 14 2
Agent-General—Contingencies ... ..	.....	.....	.....	.....	.....	7 8 6
Immigration—Towards Promoting ... ..	.....	.....	.....	.....	.....	126 0 0
Intelligence Department—Contingencies ... ..	.....	.....	.....	.....	.....	0 0 9
Land and Income Tax—Salaries ... ..	.....	.....	.....	.....	.....	1,494 3 10
Do Contingencies ... ..	.....	.....	.....	.....	.....	759 18 9
Government Printer—Advertising ... ..	.....	.....	.....	.....	.....	281 18 8
Do. Contingencies ... ..	.....	.....	.....	.....	.....	564 11 10
Military Contingents to South Africa	22 0 10	6 6 0	.....	.....	.....	.....
Navigation—Miscellaneous ... ..	.....	.....	.....	.....	.....	39 9 6
Repatriation of Australians from South Africa ... ..	.....	.....	.....	.....	.....	46 8 2
Life Boats ... ..	.....	.....	.....	.....	.....	25 0 0
Unforeseen Expenses ... ..	.....	.....	.....	.....	.....	21 14 7
Gratuities to Officers on Retirement ... ..	.....	.....	.....	.....	.....	269 10 9
Interest on Uninvested Cash Balances at Credit, Various Trust Accounts, &c. ... ..	.....	.....	.....	.....	0 17 5	.....
Cab Fares to Members of the Legislature when trams are not running, &c. ... ..	.....	.....	.....	.....	.....	1 5 0
Cambridge Stores—Erection of Lift ... ..	.....	.....	.....	.....	24 0 0	.....
Federal Celebrations	131 10 0	.....	.....	.....	.....	.....
Gratuities to Members, &c., of State Contingents to South Africa, &c. ... ..	.....	.....	.....	.....	.....	65 0 3
New Zealand Exhibition ... ..	.....	.....	.....	.....	.....	162 0 10
Australian Natives' Association—Grant in aid ... ..	.....	.....	.....	.....	.....	4 8 4
ATTORNEY-GENERAL AND JUSTICE DEPARTMENT.						
Attorney-General and Justice—Contingencies ... ..	.....	.....	.....	20 0 0	.....	2 10 0
Coroner's—Contingencies ... ..	.....	.....	.....	.....	.....	15 10 11
Prisons—Contingencies ... ..	.....	.....	.....	1 0 0	.....	60 8 8
Do Salaries ... ..	.....	.....	.....	.....	0 4 0	0 3 9
Petty Sessions—Contingencies ... ..	.....	.....	.....	.....	.....	1 6 3
Bankruptcy Court—Contingencies ... ..	.....	.....	.....	.....	.....	4 12 6
Registrar-General and Examiner of Patents—Salaries ... ..	.....	.....	.....	.....	.....	3 6 8
Public Service Board—Contingencies ... ..	.....	.....	.....	.....	.....	0 10 0
Carried forward	153 10 10	6 6 0	.....	22 10 11	55 0 7	5,145 7 1

CONSOLIDATED REVENUE FUND.

SCHEDULE OF REPAYMENTS to credit of Votes 1906-7 and previous Years not used in reduction of payments—*continued.*

PARTICULARS.				1901-1902 and Previous Years.	1902-3.	1903-4.	1904-5.	1905-6.	1906-7.
				£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
GOVERNMENTAL—<i>continued.</i>									
Brought forward	...	...	...	£ 153 10 10	6 6 0	.....	22 10 11	55 0 7	5,145 7 1
LANDS DEPARTMENT.									
Lands—Contingencies	...	...	...	.....	.....	.....	.....	.....	174 9 7
Improvement Leases—Cancellation Board—Contingencies	...	...	...	.....	.....	.....	.....	.....	55 10 11
Western Land Board—Contingencies	...	...	...	.....	.....	.....	.....	.....	0 1 8
Public Parks, Recreation Reserves, and Cemeteries	...	...	...	.....	.....	.....	.....	9 19 7	40 12 4
PUBLIC WORKS DEPARTMENT.									
Public Works—Establishment—Salaries	...	...	...	.....	.....	.....	.....	.....	52 15 11
Roads	...	...	...	.....	.....	.....	.....	.....	111 18 2
Sewerage Construction	...	...	...	.....	.....	.....	84 13 4	.....	.....
Bridges	...	...	...	.....	.....	.....	.....	.....	132 13 5
Harbours and Rivers	...	...	...	.....	.....	.....	.....	.....	101 12 2
Equipment, Travelling Expenses	...	...	...	.....	.....	.....	.....	.....	16 15 11
Public Buildings	...	...	...	.....	.....	.....	.....	.....	433 6 2
Public Watering Places, &c.	...	...	...	.....	.....	.....	.....	.....	5 10 5
Dock Establishment	...	...	...	.....	.....	.....	.....	.....	109 12 6
Dredge Service	...	...	...	.....	.....	.....	.....	.....	154 13 10
Labour Bureau—Contingencies	...	...	...	30 15 1	5 6 1	3 14 1	3 0 1	9 11 0	156 13 8
Rents, Cleaning, &c.	...	...	...	.....	.....	.....	.....	0 5 0	0 7 6
Punts, Ferries, and Launches	...	...	...	.....	.....	.....	.....	19 15 0	85 11 11
Unemployed, Rations to Rabbiters, &c.	...	...	...	.....	.....	.....	2 9 9	.....	.....
PUBLIC INSTRUCTION DEPARTMENT.									
Public Instruction	...	...	...	.....	.....	.....	.....	8 2 8	593 1 3
Carpenterian Reformatory—Contingencies	...	...	...	.....	.....	.....	.....	.....	1 3 4
National Art Gallery—Contingencies	...	...	...	.....	.....	.....	.....	.....	23 1 5
State Children's Relief—Salaries	...	...	...	.....	.....	.....	.....	.....	1 12 6
Do Contingencies	...	...	...	.....	5 0 0	.....	1 0 0	6 10 0	55 3 10
University of Sydney—Minor Repairs	...	...	...	.....	.....	.....	.....	.....	50 0 0
Carried forward	...	...	...	£ 184 5 11	16 12 1	3 14 1	113 14 1	109 3 10	7,501 15 6

CONSOLIDATED REVENUE FUND.

SCHEDULE OF REPAYMENTS to credit of Votes 1906-7 and previous Years not used in reduction of payments—*continued.*

PARTICULARS.				1901-1902 and Previous Years.	1902-3.	1903-4.	1904-5.	1905-6.	1906-7.
GOVERNMENTAL—continued.				£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Brought forward				184 5 11	16 12 1	3 14 1	113 14 1	109 3 10	7,501 15 6
MINES AND AGRICULTURE DEPARTMENT.									
Mines Department—Contingencies						18 15 0			442 4 6
Do Prospecting							39 5 0	85 17 6	115 4 10
Agriculture—Contingencies							3 0 0		18 19 10
Do Salaries									51 0 10
Stock and Brands—Contingencies									19 3 4
Commercial Agents—Contingencies									685 0 0
Exports and Cold Storage—Salaries									44 15 10
Miners' Accident Relief Board—Contingencies									0 3 8
SPECIAL APPROPRIATIONS.									
Interest on Treasury Bills—Public Works									500 0 0
Old-age Pensions (Act 74 of 1900)				29 6 7	17 19 7	28 4 0	20 5 11	3 15 4	36 6 7
Public Service Superannuation (Act No. 8 of 1903)... ..									4 11 7
Local Government Shires Act—Preliminary Expenses									4,203 11 9
Parliamentary Electorates and Elections Act									1 10 9
Totals (Governmental—see below)				£ 213 12 6	34 11 8	50 13 1	176 5 0	198 16 8	13,624 9 0
BUSINESS UNDERTAKINGS OF THE STATE.									
RAILWAY DEPARTMENT.									
Railway Working Expenses				46 14 0				1 5 6	4,174 18 9
Additions, Railway Stations, &c, 1880 Act, 44 Vic, No. 4				2,380 0 0					
TREASURY DEPARTMENT.									
Sydney Harbour Trust—Contingencies								14 2 5	39 14 9
PUBLIC WORKS DEPARTMENT.									
Metropolitan Board of Water Supply and Sewerage—Salaries									10 3 4
Do do do Contingencies									157 13 7
Hunter District Water Supply and Sewerage Board—Contingencies				11 2 7	1 4 5	4 10 5	7 0 9	6 19 7	11 16 10
Totals (Business undertakings—see below)... ..				£ 2,437 16 7	1 4 5	4 10 5	7 0 9	22 7 6	4,394 7 3

Governmental	£14,298 7s. 11d.	(See pages 9 and 11 to 14.)
Business undertakings of the State	£6,867 6s. 11d.	(See page 10).

GRAND TOTAL Repayment to Credit of Votes, Year 1906-7, and previous years during the Year 1907-8 ... £21,165 14s. 10d.

Statement C.

CONSOLIDATED REVENUE FUND.

SCHEDULE OF REPAYMENTS to the Credit of Votes of Current Year, 1907-1908, used in reduction of Expenditure from Votes of the Year.

No. of Item, as per Appropriation Act.	Head of Appropriation.	Amount.
		£ s. d.
No. II.—Executive and Legislative.		
6	Legislative Council—Contingencies	3 14 4
8	Legislative Council and Assembly—Contingencies	5 6 2
9	Parliamentary Library—Contingencies	3 6 2
11	Parliamentary Standing Committee on Public Works—Contingencies ...	1 16 6
No. III.—Colonial Secretary.		
13	Auditor-General—Salaries	228 7 9
	Contingencies	146 10 1
14	Aborigines Protection Board—Contingencies	18 3 11
15	Police—Salaries	2,134 4 4
	Contingencies	956 1 10
16	Lunacy— Institutions for the Insane generally—Salaries	101 14 1
	Contingencies	21 18 1
18	Master in Lunacy—Contingencies	35 14 2
20	Department of Public Health—Salaries	2 8 2
	Contingencies	59 4 1
21	Medical Services—Contingencies	7 7 0
22	Coast Hospital—Salaries	0 10 0
	Contingencies	5 17 10
23	Maintenance of the Destitute Sick	0 19 10
24	Registry of Friendly Societies and Trade Unions—Contingencies	10 9 8
25	Government Asylums for the Infirm—Salaries	19 4 8
	Contingencies	89 13 3
26	Department of Fisheries—Salaries	0 17 2
	Contingencies	21 2 0
28	Botanic Gardens—Salaries	0 4 2
	Contingencies	0 13 4
30	Government Domain (Outer)—Contingencies	1 0 7
31	Garden Palace Grounds—Contingencies	1 0 1
32	Centennial Park—Contingencies	0 4 10
35	Stores Supply and Tender Board—Contingencies	35,462 14 8
36	Labour and Industry Branch—Contingencies	53 9 1
51	Special Grants— Special Grants to Hospitals, &c.	200 0 0
55	Other Services— Burial of Destitute Persons, in cases where inquests are not held ...	4 11 5
56	Maintenance of deserted children, paupers taken charge of for protection, expenses of transmission, charitable relief, &c.	56 3 0
61	Grants to Benevolent Societies to provide Christmas cheer for deserving cases of distress	40 13 0
62	Miscellaneous Services— Rewards for apprehension of Offenders	10 0 0
67	To pay Municipal Rates on Government Buildings	1 9 3
68	Incidental, unforeseen, and petty expenses, freight, insurance, extra clerical assistance, carriage of goods, fuel, light, postages, &c., of Department; and fuel, light, and incidental expenses, State Government House	3 0 10
73	To meet payments to Commissioners for Railways for Railway claims, for transmission of destitute persons and others	32 10 3
74	Board of International Exchange—Expenses in connection with ...	0 2 9
	Carried forward	£ 39,742 8 4

CONSOLIDATED REVENUE FUND.

REPAYMENTS to Credit of Votes, 1907-8, used in reduction of Expenditure—*continued.*

No. of Item, as per Appropriation Act.	Head of Appropriation.	Amount.
		£ s. d.
	Brought forward	£ 39,742 8 4
No. IV.—Treasurer and Secretary for Finance and Trade.		
95	Treasury—Salaries	20 7 1
	Contingencies	14 14 3
96	Stamp Duties—Contingencies	2 7 4
97	Land and Income Tax—Salaries	2,568 2 2
	Contingencies	260 13 9
100	Government Printer—Salaries	15,688 14 4
	Contingencies	6 6 10
	Advertising for the Public Service	1,071 14 4
101	Explosives Branch—Salaries	20 18 4
	Contingencies	13 12 2
102	Shipping Masters—Salaries	0 19 2
	Contingencies	1 18 0
	Navigation—	
103	Department of Navigation	119 16 6
104	Miscellaneous	737 3 11
106	Life Boats, &c.	711 0 0
107	Administration of Old-age Pensions Act—Contingencies	13 11 5
108	Resumed Properties—Contingencies	64 14 3
109	Sydney Harbour Trust—Contingencies	2,051 13 0
110	Agent-General for New South Wales—Salaries	11 5 0
	Contingencies	32 11 0
111	Public Library of New South Wales—Salaries	1 18 7
112	Department of Intelligence and Bureau of Statistics—Salaries	25 16 8
	Contingencies	127 12 1
	Immigration—Towards promoting and advertising the State	261 1 11
	Miscellaneous Services—	
113	Commission on payments in England by the Government Financial Agents	352 14 0
115	Exchange on Remittances within and beyond the State	4 14 3
121	Sewerage and Water Rates, &c., various Public Buildings, &c., Sydney and Country Towns	8 5 2
125	Darling Harbour Resumptions—Interest on Compensation Money	5 14 8
126	To meet Unforeseen Expenses to be hereafter accounted for	17 8 2
129	Bubonic Plague—Expenses and Compensation	169 19 5
130	Adjustment of Salaries of Officers in receipt of Salary of less than £150 per annum under the provisions of the Increment Regulations	15 18 2
131	Adjustment of Salaries of Officers in receipt of Salary of more than £150 per annum under the provisions of the regrading scheme (Regulation No. 149 under the Public Service Act)	0 17 8
	To meet increases which may be granted in the regrading of the Service	96 12 0
136	Gratuities and Provisional Allowances to Members, and Relatives of Members, of Imperial and State Contingents to South Africa and Naval Contingent to China	8 6 11
139	Sydney Branch of the Royal Mint—Further grant	875 7 10
143	Expenses in connection with Franco-British Exhibition to be held in 1908	163 10 11
145	To meet increases in Salaries granted on appeals against the regrading of the Public Service in 1906	30 10 0
No. V.—Railways.		
	Railways and Tramways—	
153	Railways—Existing Lines—Working Expenses	15,223 11 8
	Carried forward	£ 80,544 11 3

CONSOLIDATED REVENUE FUND.

REPAYMENTS to Credit of Votes, 1907-8, used in reduction of Expenditure—*continued.*

No. of Item, as per Appropriation Act.	Head of Appropriation.	Amount.		
		£	s.	d.
	Brought forward	£	80,544	11 3
No. VI.—Attorney-General and Justice.				
154	Department of the Attorney-General and of Justice—Salaries		8	9 10
	Contingencies	3,060	2	9
155	The Judges—Contingencies	157	9	10
156	Prothonotary and Registrar in Divorce—Contingencies	6	13	2
157	Master in Equity—Contingencies	2	7	5
158	Registrar in Bankruptcy—Salaries	67	0	0
	Contingencies	31	1	3
159	Probate and Intestate Estates Office—Contingencies	8	14	5
160	Sheriff—Salaries	2	0	3
	Contingencies... ..	481	2	2
161	District Courts—Salaries	2	1	8
	Contingencies	195	15	11
162	Coroners—Contingencies	173	18	10
163	Petty Sessions—Salaries	28	12	7
	Contingencies	276	8	2
164	Prisons—Salaries	24	11	8
	Contingencies	48	11	9
165	Registrar-General and Examiner of Patents—Salaries	42	1	2
	Contingencies	19	5	1
166	Public Service Board—Salaries	35	1	0
	Contingencies	7	16	10
167	Industrial Arbitration—Contingencies	3	15	9
169	Miscellaneous Services— For purchase of Samples of Liquor by Licensing Inspectors for purpose of analysis	49	8	7
170	For Expenses of Inquiries under Royal Commissions Evidence Act, No. 23 of 1901, and Inquiries under Crimes Act, 1900, section 475	18	14	3
175	To meet the Legal Expenses (with the exception of verdicts in cases against the Crown, and costs in connection therewith) of all Departments of the State in matters placed in the hands of the Crown Solicitor	386	9	9
No. VII.—Secretary for Lands.				
178	Department of Lands—Salaries	266	17	1
	Contingencies	839	7	7
179	Western Land Board—Contingencies	170	7	3
180	Pastures Protection Act—Contingencies	4	15	2
182	Miscellaneous Services— Towards the maintenance, improvement, or compensation for improvements, fencing, clearing, inspection, and other expenses, of Public Parks, Recreation Grounds, Reserves, Bathing-places, and Cemeteries, &c., maintenance and improvement of Wentworth Park	1	6	0
No. VIII.—Secretary for Public Works.				
207	Department of Public Works—Establishment	299	7	3
210	Public Works and Services— Roads	2,564	11	9
	Maintenance— Bridges	535	0	0
212	Punts, Ferries, and Launches	34	2	11
213	Public Watering Places, Artesian Bores, Water Conservation, and Water Supplies and Drainage	47	10	5
214	Harbours and Rivers	3,393	3	6
215	Dredge Service	742	16	4
216	Public Buildings	1,866	18	1
217	Dock Establishment	885	0	11
218	Sewerage and Stormwater Channels	1	5	6
219	Miscellaneous	6	13	9
	Carried forward	£	97,341	8 10

CONSOLIDATED REVENUE FUND.

REPAYMENTS to Credit of Votes, 1907-8, used in reduction of Expenditure—*continued*.

No. of Item, as per Appropriation Act.	Head of Appropriation.	Amount.
		£ s. d.
	Brought forward	£ 97,341 8 10
	No. VIII.—Secretary for Public Works—<i>continued</i>.	
220	Compensations and Gratuities to Employees and others for injuries to relatives in case of death; Gratuities to employees after lengthy service; for settlement of minor claims; and for loss or injury to stock, goods, or materials	25 0 0
223	Equipment, travelling, transfer, removal, and other allowances and pay for Temporary Services	417 11 6
224	Rents, Cleaning, Caretaking, Insurance, and Shipping Charges, Letter Boxes, Postage, Telegrams, Railway Fares, Freights, Stamps, and Departmental Contingencies generally	280 18 7
226	Labour Bureau—Salaries	10 11 6
	Contingencies	1,467 18 2
227	Metropolitan Board of Water Supply and Sewerage—Salaries	104 0 6
	Contingencies	1,794 2 9
228	Hunter District Water Supply and Sewerage Board—Salaries	65 0 0
	Contingencies	146 9 7
	No. IX.—Public Instruction.	
229	Public Instruction	1,588 13 1
230	State Children Relief Department—Salaries	10 16 2
	Contingencies	466 0 11
	Industrial Schools—	
231	Nautical School-ship "Sobraon"—Contingencies	13 19 4
232	Industrial School for Girls, Parramatta—Contingencies	0 3 1
234	Observatory—Contingencies	3 10 3
235	Australian Museum—Salaries	122 0 2
236	National Art Gallery—Salaries	6 5 0
	Contingencies	154 11 1
	Grants in aid of Public Institutions—	
244	In aid of Educational Institutions, for maintenance purposes	3 2 6
	Miscellaneous Services—	
249	Postal and Telegraphic Services for the Departments and Services under the control of the Minister of Public Instruction and the Public Schools' Amateur Athletic Association	0 3 5
	No. X.—Secretary for Mines and Agriculture.	
250	Department of Mines—Salaries	33 2 1
	Contingencies	154 0 1
251	Stock and Brands Branch—Salaries	14 14 3
	Contingencies	380 10 1
252	Agricultural Branch—Salaries	357 5 10
	Contingencies	1,792 4 2
253	School of Mines and Assay Works	0 9 6
254	Exports and Cold Storage Branch—Salaries	382 5 10
	Contingencies	1 8 2
255	Miners' Accident Relief Board—Contingencies	0 10 5
256	Commercial Agents—Contingencies	441 17 10
	Miscellaneous Services—	
257	To meet cost of subsidising Agricultural, Horticultural, and Pastoral Societies receiving annual subscriptions (from not less than 50 members) amounting to not less than £50, the subsidy not to exceed 10s. on every £1 awarded in prizes for Agricultural or other approved objects	0 3 9
	Carried forward	£ 107,580 18 5

CONSOLIDATED REVENUE FUND.

REPAYMENTS to Credit of Votes, 1907-8, used in reduction of Expenditure—*continued*.

No. of Item as per Appropriation Act.	Head of Appropriation.	Amount.
	Brought forward	£ 107,580 18 5
	No. X.—Secretary for Mines and Agriculture—<i>continued</i>.	
	Miscellaneous Services— <i>continued</i> .	
264	To promote Prospecting for Gold and other Minerals, and to encourage the opening of New Fields. The amounts advanced in aid to be refunded to the Consolidated Revenue Fund if, in the opinion of the Prospecting Board, Minerals are won in payable quantities, or the Mine otherwise prove profitable to the Prospectors	7 7 9
266	Vine Diseases Act—Expenses in connection with the eradication of Phylloxera, providing Viticultural Nurseries, and administration of the Vine Diseases Act	5 14 0
	SPECIAL APPROPRIATIONS.	
	Interest on Debentures and Funded Stock	8,860 10 6
	Old-age Pensions Act, No. 74 of 1900	170 6 3
	Invalidity and Accidents Pensions Act, 1907	1,222 19 0
	Public Service Superannuation Act, No. 8 of 1903	4 3 1
	Parliamentary Electorates and Elections Act, 33 of 1902	2,517 13 9
	David Berry Hospital, Act No. 53 of 1906	4 8 0
	TOTAL	£ 120,374 0 9
	OTHER PAYMENTS.	
	In anticipation of Loan Votes, 1907-08	£ 539 6 8
	State Children's Relief, 1907-08 (Act 61 of 1901)	17 1 0

The Treasury, New South Wales,
Sydney, 28th July, 1908.

C. G. L. BOYCE,
Comptroller of Accounts.

D.

Detail Statement

OF DISBURSEMENTS, IN THE YEAR ENDED 30TH JUNE, 1908, OUT OF THE CONSOLIDATED REVENUE FUND, as shown in Account Current, page 3.

No. of Appropriation.	HEAD OF SERVICE.	ESTABLISHMENTS.		OTHER SERVICES.	TOTAL PAYMENTS.
		Salaries.	Contingencies.		
	SERVICES OF THE YEAR ENDED 30th JUNE, 1908.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
	No. I.—Schedules.				
	THIRD SCHEDULE	13,491 17 11	.....	.....	13,491 17 11
	FOURTH SCHEDULE :—				
	Pensions to Judges .....	.....	.....	3,500 0 0	} 6,977 16 11
	Pensions to Superannuated Officers .....	.....	.....	3,477 16 11	
	SCHEDULE C—STIPENDS OR ALLOWANCES :—				
	Church of England .....	.....	.....	1,030 17 0	} 1,643 7 0
	Presbyterian Church .....	.....	.....	150 0 0	
	Wesleyan Methodist Church .....	.....	.....	12 10 0	
	Roman Catholic Church .....	.....	.....	450 0 0	
	TOTAL, SCHEDULES	£ 13,491 17 11	.....	8,621 3 11	22,113 1 10
	SUPPLEMENT TO SCHEDULES.				
	THIRD SCHEDULE—SUPPLEMENT :—				
	Chief Justice	1,500 0 0	.....	.....	} 14,128 7 10
	Puisne Judges	12,508 7 10	.....	.....
	Colonial Treasurer	120 0 0	.....	.....
	FOURTH SCHEDULE—SUPPLEMENT :—				
	Pensions to Judges, 46 Vic. No. 19 .....	.....	.....	2,566 13 4	} 3,808 5 2
1	Do Widows .....	.....	.....	250 0 0	
2	Do Military .....	.....	.....	654 19 0	
3	Do Stock Inspectors .....	.....	.....	336 12 10	
	TOTAL, SUPPLEMENT TO SCHEDULES A AND B ... £	14,123 7 10	.....	3,808 5 2	17,936 13 0
	No. II.—Executive and Legislative.				
4	EXECUTIVE COUNCIL	338 14 2	.....	.....	333 14 2
5	VICE-PRESIDENT OF THE EXECUTIVE COUNCIL AND REPRESENTATIVE OF THE GOVERNMENT IN THE LEGISLATIVE COUNCIL	250 0 0	.....	.....	250 0 0
6	LEGISLATIVE COUNCIL	4,845 0 0	130 12 1	.....	4,975 12 1
7	LEGISLATIVE ASSEMBLY	9,287 16 1	302 17 3	.....	9,590 13 4
8	LEGISLATIVE COUNCIL AND ASSEMBLY	3,325 0 0	1,430 3 6	.....	4,755 3 6
9	PARLIAMENTARY LIBRARY	1,336 15 0	685 6 8	.....	2,022 1 8
10	PARLIAMENTARY REPORTING STAFF	5,815 0 0	162 11 5	.....	5,977 11 5
11	PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS	1,101 7 6	231 3 2	.....	1,332 10 8
	TOTAL, EXECUTIVE AND LEGISLATIVE	£ 23,209 12 9	2,942 14 1	.....	2,9242 6 10
	No. III.—Colonial Secretary, Labour and Industry.				
12	COLONIAL SECRETARY	7,368 13 4	.....	.....	7,368 13 4
13	AUDITOR-GENERAL	12,977 14 9	2,128 9 9	.....	15,106 4 6
14	ABORIGINES PROTECTION BOARD	88 0 0	13,401 11 4	.....	13,489 11 4
15	POLICE	355,599 17 0	87,204 5 7	.....	442,804 2 7
	LUNACY :—				
16	Institutions for the Insane generally	71,576 15 4	64,646 4 1	.....	136,222 19 5
17	Lunatic Patients .....	.....	.....	3,199 16 10	3,199 16 10
18	MASTER IN LUNACY	4,564 10 0	535 19 1	.....	5,100 9 1
19	MEDICAL BOARD	150 0 0	21 0 9	.....	171 0 9
	Carried forward	£ 452,325 10 5	167,937 10 7	3,199 16 10	623,462 17 10
	Carried forward	£ 53,919 18 6	2,942 14 1	12,429 9 1	69,292 1 8

DETAIL STATEMENT OF DISBURSEMENTS, CONSOLIDATED REVENUE FUND—continued.

No. of Appropriation.	HEAD OF SERVICE.	ESTABLISHMENTS.		OTHER SERVICES.	TOTAL PAYMENTS.
		Salaries.	Contingencies.		
	SERVICES OF THE YEAR ENDED 30th JUNE, 1908—continued.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
	Brought forward	£ 53,919 18 6	2,942 14 1	12,429 9 1	69,292 1 8
	No. III.—Colonial Secretary, Labour and Industry—continued.				
	Brought forward.....	£ 452,325 10 5	167,937 10 7	3,199 16 10	623,462 17 10
20	DEPARTMENT OF PUBLIC HEALTH	20,140 0 11	8,476 18 9		28,616 19 8
21	MEDICAL SERVICES	2,757 1 1	4,197 3 5		6,954 4 6
22	COAST HOSPITAL	7,282 17 4	8,893 10 7		16,176 7 11
23	MAINTENANCE OF THE DESTITUTE SICK			19,824 6 0	19,824 6 0
24	REGISTRY OF FRIENDLY SOCIETIES AND TRADE UNIONS ..	2,116 16 8	326 18 5		2,443 15 1
25	GOVERNMENT ASYLUMS FOR THE INFIRM	14,309 19 10	43,314 7 11		57,624 7 9
26	DEPARTMENT OF FISHERIES	5,495 1 1	2,201 0 1		7,696 1 2
27	FIRE BRIGADES	800 0 0	443 2 0		1,243 2 0
28	BOTANIC GARDENS	1,877 3 0	7,093 16 7		8,970 19 7
29	NURSERY GARDEN, CAMPBELLTOWN	225 0 0	569 18 11		794 18 11
30	GOVERNMENT DOMAINS	175 0 0	2,055 2 8		2,230 2 8
31	GARDEN PALACE GROUNDS	144 0 0	1,053 9 2		1,197 9 2
32	CENTENNIAL PARK	200 0 0	4,017 7 6		4,217 7 6
33	SWIMMING BATHS, WOOLLOOMOOLOO BAY	46 0 0	8 12 6		54 12 6
34	ELECTORAL OFFICE	2,102 10 0			2,102 10 0
35	STORES SUPPLY AND TENDER BOARD	7,185 11 6	132,198 6 6		139,383 18 0
36	LABOUR AND INDUSTRY BRANCH	3,833 8 3	597 13 2		4,431 1 5
	ENDOWMENT TO HOSPITALS, &c., AND OTHER CHARITABLE SERVICES :—				
	Subsidies :—				
37	Hospitals and Benevolent Institutions—Aid, on condition that an equal amount be raised by private annual contributions, and also that the Government, through Police Magistrates or other approved Officers, have the right of recommending the admission of Patients			58,760 18 7	75,973 7 11
38	Sydney Hospital—Aid, on the usual conditions			4,000 0 0	
39	Prince Alfred Hospital—Aid, on the usual conditions			4,000 0 0	
40	Royal Alexandra Hospital for Children, Sydney—Aid, on the usual conditions			3,000 0 0	
41	Infants' Home, Ashfield—Aid, on the usual conditions ..			750 0 0	
42	Carrington Centennial Hospital, Home for Convalescents—Aid, on the usual conditions			1,012 9 4	
43	Queen Victoria Home for Consumptives—Aid, on the usual conditions			1,000 0 0	
44	Benevolent Society of New South Wales, Sydney—Aid, on condition of an equal amount being raised by private contributions			2,500 0 0	
45	Deaf and Dumb and Blind Institution—Aid, on condition of an equal amount being raised by private contributions			450 0 0	
46	Dental Hospital—Aid, on the usual conditions			100 0 0	
47	Sydney Homœopathic Hospital—Aid, on the usual conditions			400 0 0	
	Special Grants :—				
48	Sydney Hospital—Regent-street Dispensary			700 0 0	1,725 0 0
49	Newcastle and Northumberland Benevolent Society			1,000 0 0	
50	Queen's Jubilee Fund—Grant towards travelling expenses of Inspector			25 0 0	
	OTHER SERVICES :—				
51	Special Grants to Hospitals, &c.			2,755 0 0	16,023 16 8
52	Surgical Appliance Aid Society			50 0 0	
53	Queen Victoria Home for Consumptives, Petersham—Marrickville—Bed endowment Fund			100 0 0	
54	Benevolent Asylum, Sydney, and other kindred Institutions—For support of Women and Children			3,264 4 2	
55	Burial of destitute persons in cases where inquests are not held			528 3 5	
56	Maintenance of deserted children, paupers taken charge of for protection, expenses of transmission, charitable relief, &c.			5,663 18 4	
57	Rent of Moorcliff, in connection with the Sydney Hospital			370 0 0	
58	Newcastle and Northumberland Benevolent Society—Rent of Telephone			8 5 0	
59	Newcastle Hospital—Repairs, &c.			1,270 19 6	
60	Slater v. Raymond, President, Raleigh District Hospital—Law cost, &c.			540 2 1	
61	Grants to Benevolent Societies to provide Christmas Cheer for deserving cases of distress			1,473 4 2	
	Carried forward	£ 521,016 0 1	333,384 18 9	116,746 7 5	1,021,147 6 3
	Carried forward	£ 53,919 18 6	2,942 14 1	12,429 9 1	69,292 1 8

DETAIL STATEMENT OF DISBURSEMENTS, CONSOLIDATED REVENUE FUND—continued.

No. of Item.	HEAD OF SERVICE.	ESTABLISHMENTS.		OTHER SERVICES.	TOTAL PAYMENTS.
		Salaries.	Contingencies.		
	SERVICES OF THE YEAR ENDED 30th JUNE, 1908—continued.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
	Brought forward	£ 53,919 18 6	2,942 14 1	12,429 9 1	69,292 1 8
	Ho. III.—Colonial Secretary, Labour and Industry—continued.				
	Brought forward	£ 521,016 0 1	383,384 18 9	116,746 7 5	1,021,147 6 3
	MISCELLANEOUS SERVICES:—				
62	Rewards for apprehension of Offenders			322 10 0	25,243 2 0
63	Animals Protection Society—Aid, on condition of an equal amount having been raised by private contributions...			173 17 0	
64	New South Wales Zoological Society—Special grant in aid of			2,500 0 0	
65	Lord Howe Island—Expenses in connection with administration of, and for general improvements, &c.			294 9 2	
66	Norfolk Island—Expenses in connection with administration of, and for general improvements, &c.			825 0 0	
67	To pay Municipal rates on Government buildings			11,038 8 4	
68	Incidental, unforeseen, and petty expenses, freight, insurance, extra clerical assistance, carriage of goods, fuel, light, postages, &c., of Department; and fuel, light, and incidental expenses, State Government House			1,554 8 8	
70	General improvements, National Park			4,300 0 0	
71	Maintenance, &c., of Telephones			155 2 7	
72	Pension to Constable J. F. Alford, in addition to the pension payable to him from the "Police Superannuation Fund," upon his retirement, through being injured in the execution of his duty			45 15 0	
73	To meet payments to Commissioners for Railways for Railway Claims for Transmission of destitute persons and others			2,968 14 0	8,705 14 6
74	Board of International Exchange—Expenses in connection with			124 17 3	
75	Additional sum for religious attendance on inmates of Asylums and other Government Institutions			640 0 0	
76	Rent of Premises for the Secretary to His Excellency the Admiral and Staff			300 0 0	
77	Ground Rent of "Tresco," the residence of the Officer in charge of Naval Establishments, Sydney			32 10 0	
78	Royal Naval House—Special grant in aid of, including rates and taxes			275 0 0	
79	Rent of "Cranbrook," State Governor's Residence			843 15 0	
80	Special grants in aid of Suburban and Country Fire Brigades			3,870 0 0	
81	Special grants to Water Brigades			87 0 0	
82	Relief to sufferers by flood			59 11 6	
83	Band Association of New South Wales—Grant			250 0 0	1,055,096 2 9
84	Royal Anthropological Society of Australasia—Special Grant			100 0 0	
85	Boys' Brigade—Grant			400 0 0	
88	Royal Life Saving Society—Grant			500 0 0	
89	Sydney United Friendly Societies' Dispensary and Medical Institute, Redfern Branch—Grant			800 0 0	
90	Sydney United Friendly Societies' Dispensary and Medical Institute, Macquarie-street South—Grant			500 0 0	
91	Parramatta and District United Friendly Societies' Medical and Dispensing Institute—Grant for Building and Dispensary			750 0 0	
92	Reimbursement for loss of Wages and for Medical and Legal expenses incurred by William O'Hara, who was assaulted by ex-Constable Johnson (£38 5s.) ..			38 5 0	
93	Hartley Election Petition—Reimbursement of Expenses			189 3 0	
94	Balmain Election Petition—Reimbursement of Expenses			10 10 0	
	TOTAL, COLONIAL SECRETARY, LABOUR AND INDUSTRY...	£ 521,016 0 1	383,384 18 9	150,695 3 11	1,055,096 2 9
	Carried forward	£ 574,935 18 7	386,327 12 10	163,124 13 0	1,124,383 4 5

DETAIL STATEMENT OF DISBURSEMENTS, CONSOLIDATED REVENUE FUND—continued.

No. of Appropriation.	HEAD OF SERVICE.	ESTABLISHMENTS.		OTHER SERVICES.	TOTAL PAYMENTS.
		Salaries.	Contingencies.		
SERVICES OF THE YEAR ENDED 30th JUNE, 1908—continued.		£ s. d.	£ s. d.	£ s. d.	£ s. d.
	Brought forward.....	£ 574,935 18 7	386,327 12 10	163,124 13 0	1,124,388 4 5
	Ac. FD.—Treasurer and Secretary for Finance and Trade.				
95	TREASURY.....	23,770 18 3	2,296 19 2	26,067 17 5
96	STAMP DUTIES.....	4,900 0 0	1,142 15 5	6,042 15 5
97	LAND AND INCOME TAX	29,955 0 1	5,319 8 5	35,274 8 6
98	GOLD RECEIVERS	45 0 0	45 0 0
99	GOLD AND ESCORT	120 0 9	120 0 9
100	GOVERNMENT PRINTER	52,255 14 8	12,908 1 1	65,163 15 9
101	EXPLOSIVES	5,787 6 10	1,640 13 11	7,428 0 9
102	SHIPPING MASTERS	2,503 3 4	80 7 9	2,583 11 1
	NAVIGATION :—				
103	Department of Navigation	50,744 9 9	50,744 9 9
104	Miscellaneous	26,233 12 11	26,233 12 11
105	Australian Coast Light-houses	384 9 0	384 9 0
106	LIFE BOATS, &c.	1,768 15 8	1,768 15 8
107	ADMINISTRATION OF OLD-AGE PENSIONS ACT	5,183 11 1	16,414 5 8	21,597 16 9
108	RESUMED PROPERTIES	2,036 18 3	8,022 2 5	10,059 0 8
109	SYDNEY HARBOUR TRUST	18,974 0 0	67,968 7 8	86,942 7 8
110	AGENT-GENERAL FOR NEW SOUTH WALES	5,784 6 6	4,430 4 9	10,214 11 3
111	PUBLIC LIBRARY OF NEW SOUTH WALES	5,943 10 11	1,597 9 1	7,541 0 0
112	DEPARTMENT OF INTELLIGENCE AND BUREAU OF STATISTICS	7,206 15 9	16,237 9 3	23,444 5 0
	MISCELLANEOUS SERVICES :—				
113	Commission on Payments in England by the Government Financial Agents	3,866 10 0	87,203 14 7
114	Insurance, Shipping Charges, &c., on English Shipments.. ..	.....	.....	862 15 10
115	Exchange on Remittances within and beyond the State ...	.....	.....	1,104 5 7
116	Commission on payments in Sydney by the Government Banking Institutions .....	.....	.....	1,774 18 11
119	In aid of the Sailors' Home, Sydney .....	.....	.....	350 0 0
120	Amount payable to Railway Department for conveyance, without charge, of Members of Parliament, Distinguished Visitors, School Children, and others .....	.....	.....	16,950 0 0
121	Sewerage and Water Rates, &c., various Public Buildings, &c., Sydney and Country Towns .....	.....	.....	13,459 7 8
122	To pay interest on uninvested cash balances at the credit of various Trust and other Accounts in the temporary possession of the Government .....	.....	.....	11,950 6 3
123	To pay interest on Special Deposits by the Savings Bank of New South Wales.....	.....	.....	4,339 0 10
124	Interest on Advances by Banks in London.....	.....	.....	30 3 8
125	Darling Harbour Resumptions—Interest on compensation money .....	.....	.....	7,142 19 6
126	† To meet Unforeseen Expenses—				87,203 14 7
	Expenses of Ministerial Visits and Functions .....	.....	.....	354 6 7
	Expenses of Empire Day Celebrations .....	.....	.....	92 15 10
	Expenses of Conference of Premiers at Brisbane .....	.....	.....	58 8 11
	Expenses of Conference of Premiers at Melbourne .....	.....	.....	168 4 1
	Expenses of Vice-Regal Visit to the Monaro .....	.....	.....	60 9 4
	Department of Audit—Overtime, verifying C.P. balances .....	.....	.....	106 17 7
	Railway Fares Press Conference .....	.....	.....	229 8 0
	Fee, inspecting Agent-General's books .....	.....	.....	21 0 0
	Provisions supplied to men employed on Mount Kosciuszko Road Works .....	.....	.....	21 8 5
	Allowance to Sergeant Kane for losses Murwillumbah Fire	50 0 0	87,203 14 7
	Miscellaneous—Sums under £20.....	.....	.....	242 9 0
127	To meet claims for the refund of Pilotage, Harbour and Light Rates, in certain cases .....	.....	.....	153 9 10
128	Rental of House for Lady Parkes .....	.....	.....	75 0 0
129	Bubonic Plague—Expenses and Compensation.....	.....	.....	2,320 6 2
130	Adjustment of Salaries of Officers in receipt of salary of less than £150 per annum under the provisions of the Increment Regulations	5,482 7 6	.....	.....
131	Adjustment of Salaries of Officers in receipt of salary of more than £150 per annum under the provisions of the re-grading scheme (Regulation No. 149 under the Public Service Act)	2,548 16 0	.....	.....
132	Gratuities to Officers on retirement .....	.....	.....	10,364 17 1
133	Allowance to Widow of late H. L. J. Sherwood, who lost his life while engaged on duty in Pilot Boat at South Head .....	.....	.....	65 0 0
134	Postage Stamps for the use of Members of the Legislature .....	.....	.....	1,838 0 2
135	Refund of Survey Fees on Vessels of 15 tons and under...	2 0 0	87,203 14 7
136	Gratuities and Provisional Allowances to Members, and Relatives of Members, of Imperial and State Contingents to South Africa, and Naval Contingent to China .....	.....	.....	984 6 8
138	Expenses in connection with cab fares to Members of the Legislature on the occasion of late sittings of the House when trams are not running .....	.....	.....	9 3 0
139	Sydney Branch of the Royal Mint—further grant .....	.....	.....	*124 12 2
	Carried forward	£ 223,076 18 11	138,058 4 7	107,724 9 5	468,859 12 11
	Carried forward	£ 574,935 18 7	386,327 12 10	163,124 13 0	1,124,388 4 5

* In addition to Grant of £15,000 under Special Appropriation. (See page 28.)

† Total Unforeseen Expenses, £1,405 7s. 9d.

DETAIL STATEMENT OF DISBURSEMENTS, CONSOLIDATED REVENUE FUND—continued.

No. of Appropriation.	HEAD OF SERVICE.	ESTABLISHMENTS.		OTHER SERVICES.	TOTAL PAYMENTS.
		Salaries.	Contingencies.		
	SERVICES OF THE YEAR ENDED 30th JUNE, 1908—continued.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
	Brought forward.....	£ 574,935 18 7	386,327 12 10	163,124 13 0	1,121,388 4 5
	No. IV.—Treasurer and Secretary for Finance and Trade—continued.				
	Brought forward.....	£ 223,076 18 11	138,058 4 7	107,724 9 5	468,859 12 11
	MISCELLANEOUS SERVICES—continued.				
140	Military Contingents to South Africa—To meet claims of Returned Soldiers .....	.....	.....	7,135 11 10	} 27,735 4 0
143	Expenses in connection with Franco-British Exhibition, to be held in 1908 .....	.....	.....	9,968 11 0	
144	Bonus to Mr. W. J. Durie for Services as Secretary to New Zealand Exhibition Commissioner .....	.....	.....	25 0 0	
145	To meet increases in Salaries granted on appeals against the regrading of the Public Service in 1906 .....	.....	.....	10,336 5 6	
146	Grant to Mr. Peter D. McCormick for writing and composing patriotic song "Advance Australia Fair".....	.....	.....	100 0 0	
147	Refund of Interest charged on late payment of Balances on Conditional Purchases (£56 14s. 2d.) .....	.....	.....	56 14 2	
148	Refund of Land Tax for years 1898 and 1899, twice paid (£74 14s.) .....	.....	.....	74 14 0	
119	Gratuity to the Widow of the late Arthur E. Kidney, formerly employed in the Government Printing Office (£38 7s. 6d.) .....	.....	.....	38 7 6	
	TOTAL, TREASURER AND SECRETARY FOR FINANCE AND TRADE.....	£ 223,076 18 11	138,058 4 7	135,459 13 5	496,594 16 11
	No. V.—Railways.				
	RAILWAYS AND TRAMWAYS—				
153 {	Railways—Existing Lines—Working Expenses.....	331,043 10 8	238,386 3 8	.....	2,714,429 14 4
	Tramways—Do do	40,489 10 10	742,985 7 2	.....	783 474 18 0
	TOTAL, RAILWAYS	£ 371,533 1 6	3,123,371 10 10	.....	3,497,904 12 4
	No. VI.—The Department of The Attorney-General and of Justice.				
154	DEPARTMENT OF THE ATTORNEY-GENERAL AND OF JUSTICE	23,167 17 4	9,976 9 0	.....	38,144 6 4
155	THE JUDGES	4,906 10 6	2,795 1 0	.....	7,702 11 6
156	PROTHONOTARY AND REGISTRAR IN DIVORCE.....	2,900 0 0	187 9 2	.....	3,087 9 2
157	MASTER IN EQUITY	3,349 0 10	359 7 3	.....	3,708 8 1
158	REGISTRAR IN BANKRUPTCY.....	2,209 4 11	786 18 3	.....	2,996 3 2
159	PROBATE AND INTESTATE ESTATES OFFICE	3,056 16 8	815 18 11	.....	3,872 15 7
160	SHERIFF.....	12,658 15 1	12,161 15 7	.....	24,820 10 8
161	DISTRICT COURTS	2,729 14 1	690 16 1	.....	3,420 10 2
162	CORONERS	1,156 5 0	2,480 9 8	.....	3,636 14 8
163	PETTY SESSIONS	67,171 6 4	17,919 12 10	.....	85,090 19 2
164	PRISONS	66,772 10 9	17,189 3 3	.....	83,961 14 0
165	REGISTRAR-GENERAL AND EXAMINER OF PATENTS.....	34,667 0 6	8,422 4 3	.....	43,089 4 9
166	PUBLIC SERVICE BOARD	4,363 14 6	1,569 15 9	.....	5,933 10 3
167	INDUSTRIAL ARBITRATION	5,098 6 3	651 10 6	.....	5,749 16 9
	MISCELLANEOUS SERVICES:—				
168	Allowances to Inspectors and Sub-Inspectors under "Liquor Amendment Act of 1905" .....	.....	.....	711 3 7	} 9,436 15 9
169	For purchase of samples of liquor by Licensing Inspectors for purpose of analysis .....	.....	.....	131 4 8	
170	For expenses of Inquiries under "Royal Commission Evidence Act, No. 23, 1901," and Inquiries under "Crimes Act, 1900," sec. 475 .....	.....	.....	87 0 10	
171	Refund of fees paid for licenses issued on certificates granted by Magistrates.....	.....	.....	151 2 0	
172	Purchase of Law Books, &c., for Courts of Petty Sessions and Department of the Attorney-General and of Justice...	.....	.....	955 19 5	
173	To pay officers of the Department of the Attorney-General and of Justice who may be granted extended leave of absence prior to retirement, a lump sum in lieu of such leave .....	.....	.....	29 14 3	
174	To provide for new positions which may be created after Estimates have been passed by Parliament .....	.....	.....	179 18 10	
175	To meet the Legal Expenses (with the exception of verdicts in cases against the Crown, and costs in connection therewith) of all Departments of the State in matters placed in the hands of the Crown Solicitor .....	.....	.....	6,923 4 10	} 233 6 8
176	Refunds of half fines inflicted under Deserted Wives and Children's Act, &c. ....	.....	.....	29 0 8	
177	Special pension to M. Boland, Police Magistrate, Hillston, upon his retirement on account of injuries received in connection with the performance of his duty. (From 1st December, 1907, to 30th June, 1908, at £400 per annum) .....	.....	.....	233 6 8	
	TOTAL, DEPARTMENT OF THE ATTORNEY-GENERAL AND OF JUSTICE	£ 233,207 2 9	76,007 11 6	9,436 15 9	324,651 10 0
	Carried forward	£ 1,408,753 1 9	3,723,764 19 9	308,021 2 2	5,443,539 3 8

DETAIL STATEMENT OF DISBURSEMENTS, CONSOLIDATED REVENUE FUND—continued.

No. of Appropriation.	HEAD OF SERVICE.	ESTABLISHMENTS.		OTHER SERVICES.	TOTAL PAYMENTS.
		Salaries.	Contingencies.		
	SERVICES OF THE YEAR ENDED 30th JUNE, 1908—continued.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
	Brought forward	£1,408,753 1 9	3,726,764 19 9	308,021 2 2	5,443,539 3 8
	No. VII.—Secretary for Lands.				
178	DEPARTMENT OF LANDS	153,360 4 8	146,078 6 11	.....	302,438 11 7
179	WESTERN LAND BOARD	3,499 0 0	5,160 2 1	.....	8,659 2 1
180	PASTURES PROTECTION ACT	2,152 19 0	854 14 9	.....	3,007 13 9
	MISCELLANEOUS SERVICES:—				
182	Towards the maintenance, improvement, or compensation for improvements, fencing, clearing, inspection, and other expenses of Public Parks, Recreation Grounds, Reserves, Bathing-places, and Cemeteries, &c., maintenance and improvement of Wentworth Park .....	.....	.....	12,624 0 11	
183	Maintenance and improvement of Hyde, Cook, and Phillip Parks .....	.....	.....	230 0 0	
184	Maintenance and improvement of Kuring-gai Chase .....	.....	.....	1,000 0 0	
185	To meet cost of postage and railway freight stamps; transmission of telegraphic messages; and also for private letter-boxes for the Department .....	.....	.....	5,000 0 0	
186	To meet remission of rents to conditional, settlement, and other lessees and selectors who, through conflicting applications, &c., cannot be given possession from date of application .....	.....	.....	179 10 9	
183	A. H. H. Warner—Refund of one-half of interest paid on rent and improvements, Settlement Lease 668, Condobolin .....	.....	.....	23 1 6	
189	Sandy Flat Recreation Club, Trustees of—Value of improvements effected on conditional purchase No. 05-39, Tenterfield .....	.....	.....	10 0 0	
190	W. H. Ryan—Refund of balance of deposit and survey fees on Conditional Purchase 06-60, and conditional Lease 06-52, Tamworth, the land having been re-selected....	.....	.....	13 2 7	
191	J. C. Pengilley—Remission of rent of Conditional Lease 04-7, Murrurundi, from 3rd November, 1904, to 3rd November, 1906 (£10 7s. 6d.) .....	.....	.....	10 7 6	
192	Trustees of Lismore Show Ground (Lismore Agricultural and Industrial Society)—Difference between amounts realised from sales of allotments comprised in old Show Ground, Lismore, and the amount already paid to the trustees, less costs of sale, &c. (£96 5s.) .....	.....	.....	73 15 0	20,441 1 5
193	W. Wedlock—Refund of deposit and survey fee on application for Special Lease 05-2, Kempsey, declared forfeited on 22nd August, 1906 (£8 17s. 4d.) .....	.....	.....	8 17 4	
194	Thomas McMahon—Compensation for expenses incurred in connection with opening and closing roads through his property at Kurrajong .....	.....	.....	30 0 0	
195	Chief Commissioner for Railways—Value of fencing erected by Railway Department at Pennant Hills—reserved as a site for convalescent home for employees—Land not now required for the purpose (£46 14s.) .....	.....	.....	46 14 0	
196	Aborigines Protection Board—Value (in part) of improvements made by R. Mohan, or Moran (aboriginal), on land at Clybucca Creek, No. 10, conditional purchase 05-21, Kempsey (£23 16s.) .....	.....	.....	23 16 0	
197	John McDonald—Value of improvements effected on Annual Leases 05-23 and 24, Scone .....	.....	.....	30 0 0	
198	Amount retained and credited as rent of John Jacka's Homestead Selection 96-1, Hay, from 12th February, 1902, to 16th May, 1903, since approved to be applied as and credited on account of future rent (£10 4s.) .....	.....	.....	10 4 0	
199	Trustees, new Show Ground, Grafton (part of Fisher Park)—Cost of removal to and re-erection on, and otherwise improving new site .....	.....	.....	900 0 0	
200	Ralph Liddle—For reduction of balance of purchase money on Conditional Purchases 74-3,377 and 75-295 and 296, brought under revision, Amendment Act, section 13, 1903 .....	.....	.....	96 0 0	
201	To enable refunds to be made to sundry claimants of sums paid as travelling charges upon sheep, prior to the passing of the Pastures Protection Act, 1902 .....	.....	.....	151 11 10	
	Carried forward	£162,012 3 8	152,093 3 9	20,441 1 5	334,546 8 10
	Carried forward	£1,408,753 1 9	3,726,764 19 9	308,021 2 2	5,443,539 3 8

DETAIL STATEMENT OF DISBURSEMENTS, CONSOLIDATED REVENUE FUND—continued.

No. of Appropriation.	HEAD OF SERVICE.	ESTABLISHMENTS.		OTHER SERVICES.	TOTAL PAYMENTS.
		Salaries.	Contingencies.		
	SERVICES OF THE YEAR ENDED 30th JUNE, 1908—continued.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
	Brought forward.....	£ 1,408,753 1 9	3,726,764 19 9	308,021 2 2	5,443,539 3 8
	No. VII.—Secretary for Lands—continued.				
	Brought forward.....	£ 162,012 3 8	152,093 3 9	20,441 1 5	334,546 8 10
	MISCELLANEOUS SERVICES—continued.				
202	Sunny Corner School of Arts Trustees.—Remission of four-sevenths of the value of Improvements on the old hospital site (sold by the Department), added to the upset price of the land, when sold, for the purpose of establishing a School of Arts			57 0 0	845 5 11
203	Deniliquin Common Trustees.—Compensation for value of Improvements on the Deniliquin Common, resumed by the Crown for purposes of settlement (£294 5s.)...			284 5 0	
205	Special Grant for further Improvement of the Landing-place of Captain Cook, at Kurnell			500 0 0	
206	SPECIAL SERVICES—LABOUR SETTLEMENTS			4 0 11	
	TOTAL, SECRETARY FOR LANDS.....	£ 162,012 3 8	152,093 3 9	21,286 7 4	335,391 14 9
	No. VIII.—Secretary for Public Works.				
207	DEPARTMENT OF PUBLIC WORKS—Establishment.....	80,430 7 3			84,375 8 6
208	To meet adjustments and arrears of Salaries of Professional, Clerical, and General Staffs; also for new appointments under £100 per annum, Professional, General, and Clerical Staffs	139 17 9			
209	To pay Officers salaries during leave of absence prior to retirement	3,805 3 6			
	PUBLIC WORKS AND SERVICES:—				
210	Roads			64,065 13 11	291,497 1 10
	Maintenance—				
211	Bridges			18,816 0 10	
212	Punts, Ferries, and Launches			12,611 2 4	
213	Public Watering Places and Artesian Bores, Water Conservation, Water Supplies, and Drainage			9,345 13 2	
214	Harbours and Rivers			10,638 12 5	
215	Dredge Service			73,553 14 11	
216	Public Buildings			34,644 0 11	
217	Dock Establishment			6,871 11 8	
218	Sewerage and Storm-water Channels			1,292 5 6	
219	Miscellaneous			3,965 9 0	
220	Compensations and Gratuities to Employees and others for injuries; to relatives in case of death; Gratuities to Employees after lengthy service; for settlement of minor claims; and for loss or injury to stock, goods, or materials			2,798 15 3	
222	To provide for Gratuities, as an act of grace, to maintenance men on roads and works taken over under Local Government Act, on their ceasing to be employed by the Government.....			14,543 16 0	
223	Equipment, travelling, transfer, removal, and other allowances and pay for Temporary Services			27,443 7 10	
224	Rents, Cleaning, Caretaking, Insurance, and Shipping Charges, Letter-boxes, Postage, Telegrams, Railway Fares, Freights, Stamps, and Departmental Contingencies generally			10,906 18 1	
225	Local Government.....		9,461 2 10		179,326 11 8
	Endowment of Shires			169,865 8 10	
226	LABOUR BUREAU	1,587 8 6	3,171 17 11		
227	METROPOLITAN BOARD OF WATER SUPPLY AND SEWERAGE..	41,082 8 10	98,792 17 1		139,875 5 11
228	HUNTER DISTRICT WATER SUPPLY AND SEWERAGE BOARD...	6,353 4 1	8,367 11 9		14,720 15 10
	TOTAL, SECRETARY FOR PUBLIC WORKS	£ 133,398 9 11	119,793 9 7	461,362 10 8	714,554 10 2
	No. IX.—Public Instruction.				
229	PUBLIC INSTRUCTION	846,692 9 0	119,531 8 4		966,223 17 4
230	STATE CHILDREN RELIEF DEPARTMENT.....	10,317 16 4	57,650 0 0		67,967 16 4
	INDUSTRIAL SCHOOLS:—				
231	Nautical School-ship "Sobraon".....	3,731 9 4	8,925 0 7		12,656 9 11
232	Industrial School for Girls, Parramatta	1,265 1 10	1,534 16 11		2,799 18 9
233	Carpenterian Reformatory	1,443 15 0	1,577 18 6		3,021 13 6
	Carried forward	£ 863,450 11 6	189,219 4 4		1,052,669 15 10
	Carried forward	£ 1,704,163 15 4	3,998,651 13 1	790,670 0 2	6,493,485 8 7

DETAIL STATEMENT OF DISBURSEMENTS, CONSOLIDATED REVENUE FUND—*continued.*

No. of Appropriation.	HEAD OF SERVICE.	ESTABLISHMENTS.		OTHER SERVICES.	TOTAL PAYMENTS.
		Salaries.	Contingencies.		
	SERVICES OF THE YEAR ENDED 30th JUNE, 1908—continued.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
	Brought forward	£ 1,704,163 15 4	3,998,651 13 1	790,670 0 2	6,493,485 8 7
	No. F.F.—Public Instruction (continued).				
	Brought forward	£ 863,450 11 6	189,219 4 4	.....	1,052,669 15 10
234	OBSERVATORY	2,694 13 4	522 5 2	.....	3,216 18 6
235	AUSTRALIAN MUSEUM.....	5,257 19 10	1,554 0 0	.....	6,811 19 10
236	NATIONAL ART GALLERY	1,261 6 8	1,566 12 4	.....	2,827 19 0
	GRANTS IN AID OF PUBLIC INSTITUTIONS :—				
	Sydney University—				
237	For Additions, Repairs, and Furniture .....	.....	.....	1,217 12 9	13,570 4 6
239	To provide for the establishment of Evening Lectures (including University Extension Lectures and Lectures in Law) .....	.....	.....	2,000 0 0	
240	Linnean Society .....	.....	.....	100 0 0	
241	Royal Society—Amount in proportion of £1 to every £1 raised by private contributions .....	.....	.....	400 0 0	
242	Special Grant in aid of Kindergarten Classes.....	.....	.....	1,000 0 0	13,570 4 6
244	In aid of Educational Institutions, for maintenance purposes .....	.....	.....	8,002 11 9	
245	In aid of the "Women's Branch of the Royal Society for the Prevention of Cruelty to Animals," to assist it in its work in connection with Public Schools .....	.....	.....	50 0 0	
246	Royal Art Society of New South Wales—Special Grant, 1906-7.....	.....	.....	400 0 0	
247	Do do do do 1907-8 .....	.....	.....	400 0 0	5,797 19 0
	MISCELLANEOUS SERVICES :—				
248	For Survey of School Sites .....	.....	.....	109 8 7	
249	Postal and Telegraphic Services for the Departments and Services under the control of the Minister of Public Instruction and the Public Schools' Amateur Athletic Association .....	.....	.....	5,688 10 5	
	TOTAL PUBLIC INSTRUCTION.....	£ 872,664 11 4	192,862 1 10	19,368 3 6	1,084,894 16 8
	No. F.—Secretary for Mines and Agriculture.				
250	DEPARTMENT OF MINES	34,588 2 8	15,943 9 1	.....	50,531 11 9
251	STOCK AND BRANDS BRANCH	8,386 17 7	10,468 1 4	.....	18,854 18 11
252	AGRICULTURAL BRANCH	13,038 5 1	38,195 18 8	.....	51,234 3 9
253	SCHOOL OF MINES AND ASSAY WORKS .....	.....	.....	325 2 5	325 2 5
254	EXPORTS AND COLD STORAGE BRANCH	789 4 5	161 17 9	.....	951 2 2
255	MINERS' ACCIDENT RELIEF BOARD.....	743 9 2	70 19 6	.....	814 8 8
256	COMMERCIAL AGENTS	2,004 3 4	1,977 0 9	.....	3,981 4 1
	MISCELLANEOUS SERVICES :—				
257	To meet cost of subsidising Agricultural, Horticultural, and Pastoral Societies receiving annual subscriptions (from not less than 50 members) amounting to not less than £50, the subsidy not to exceed 10s. on every £1 awarded in prizes for Agriculture or other approved objects .....	.....	.....	11,980 6 2	33,312 11 5
258	Subsidy to Agricultural, Pastoral, and Horticultural Societies and other Associations, subject to special conditions .....	.....	.....	921 18 7	
259	Special Grants to Agricultural, Pastoral, and Horticultural Societies.....	.....	.....	6,725 0 0	
260	Administration of the Act for the Regulation of Coal Mines and Collieries .....	.....	.....	184 5 3	
261	Ambulance Classes .....	.....	.....	74 6 6	33,312 11 5
263	To meet travelling expenses of Pastures Protection Inspectors when employed on special work for Mines Department.....	.....	.....	219 16 0	
264	To promote Prospecting for Gold and other Minerals, and to encourage the opening of New Fields. The amounts advanced in aid to be refunded to the Consolidated Revenue Fund if, in the opinion of the Prospecting Board, Minerals are won in payable quantities, or the Mine otherwise prove profitable to the Prospectors .....	.....	.....	11,055 8 2	
265	Salaries of Officers of Public Works Department temporarily employed .....	.....	.....	157 0 0	
266	Vine Diseases Act—Expenses in connection with the Eradication of Phylloxera, providing Viticultural Nurseries, and administration of the Vine Diseases Act .....	.....	.....	1,994 10 9	160,005 3 2
	TOTAL, SECRETARY FOR MINES AND AGRICULTURE..£	59,550 2 3	66,817 7 1	33,637 13 10	
	Carried forward...	£ 2,636,378 8 11	4,258,331 2 0	843,675 17 6	7,738,385 8 5

DETAIL STATEMENT OF DISBURSEMENTS, CONSOLIDATED REVENUE FUND—continued.

No. of Appropriation.	HEAD OF SERVICE.	ESTABLISHMENTS.		OTHER SERVICES.	TOTAL PAYMENTS.
		Salaries.	Contingencies.		
		£ s. d.	£ s. d.	£ s. d.	£ s. d.
	SERVICES OF THE YEAR ENDED 30th JUNE, 1908—continued.				
	Brought forward.....	£ 2,636,378 8 11	4,258,331 2 0	843,675 17 6	7,738,385 8 5
	Special Appropriations.				
	INTEREST ON DEBENTURES AND FUNDED STOCK.....			2,799,237 11 2	
	INTEREST ON TREASURY BILLS FOR PUBLIC WORKS.....			123,081 0 0	
	INTEREST ON TREASURY BILLS, ACT 64 VIC. NO. 10.....			20,074 0 0	
	INTEREST ON TREASURY DEFICIENCY BILLS, ACT 53 VIC. NO. 9, 59 VIC. NO. 22, 64 VIC. NO. 63, AND 1 EDW. VII NO. 8, AND 5 EDW. VII NO. 30.....			44,451 13 4	3,025,096 16 7
	INTEREST ON UNINVESTED FUNDS AT CREDIT OF GOVERNMENT SAVINGS BANK IN THE TREASURY, ACT NO. 72 OF 1902.....			38,252 12 1	
	REDUCTION OF PUBLIC DEBT:—				
	The General Sinking Fund Act, No. 19 of 1904.....			350,000 0 0	
	Redemption of Treasury Bills—Deficiency to the 30th June, 1905, Act No. 30 of 1905.....			50,000 0 0	400,000 0 0
	CORPORATIONS:—				
	Sydney Harbour Trust Commissioners, Act No. 1 of 1901.....	3,762 7 2			
	Railway Commissioners Appointment, Act No. 7 of 1906.....	6,000 0 0			
	Metropolitan Board of Water Supply and Sewerage, Act 43 VIC. NO. 32, AND 51 VIC. NO. 28.....			20 10 11	10,962 8 1
	Sydney Corporation (Amending) Act, No. 30 of 1900, Moiety of Salaries of Inspector of Nuisances and Sanitary Inspectors.....	1,179 10 0			
	PENSIONS:—				
	Superannuation Act Repeal Act, 36 VIC. NO. 23.....			1,008 4 0	
	Old-age Pensions Act, No. 74 of 1900.....			503,029 13 9	
	District Court Judges Act, No. 4 of 1901.....			750 0 0	
	Public Service (Superannuation) Act, No. 8 of 1903.....				
	Pensions..... £123,640 9 7				
	Refunds..... 7,738 1 3				
	Gratuities..... 1,191 13 5			132,570 4 3	670,225 3 0
	Parkes Family Grant, 60 VIC. NO. 3.....			340 0 0	
	Invalidity and Accidents Pensions Act, No. 22 of 1907.....			12,527 1 0	
	Police Regulation (Superannuation) Act, No. 28 of 1906.....			20,000 0 0	
	EXECUTIVE AND LEGISLATIVE:—				
	Ministers' Salaries Act, No. 2 of 1908.....	5,520 0 0			
	Aide-de-Camp to the Governor, Act No. 40 of 1901.....	350 0 0			
	Expenses, Parliamentary Witnesses, Act No. 43 of 1901.....			2 11 5	
	Remuneration to Parliamentary Public Works Committee, Act No. 26 of 1900, AND 5 OF 1904.....			3,165 15 0	71,026 14 10
	Allowances, Parliamentary Representatives, Act No. 32 of 1902.....			23,125 14 11	
	Parliamentary Electorates and Elections Act, No. 33 of 1902.....			38,862 13 6	
	COLONIAL SECRETARY:—				
	Endowment, Fire Brigades, Act No. 80 of 1902.....			18,310 1 6	
	Endowment, Municipalities, Act No. 23 of 1897, AND NO. 56 OF 1906.....			3,987 10 9	22,789 18 4
	David Berry Hospital, Act No. 53 of 1906.....			492 6 1	
	TREASURER AND SECRETARY, FINANCE AND TRADE:—				
	Sydney Branch, Royal Mint, Act No. 41 of 1902.....			15,000 0 0	
	Inscribed Stock, Management and Expenses, Act No. 79 of 1902.....			21,142 18 7	36,142 18 7
	ATTORNEY-GENERAL AND JUSTICE:—				
	Public Service Board, Act No. 31 of 1902.....	3,645 0 0			
	Judges, District Courts Salaries, Act No. 4 of 1901.....	10,500 0 0			14,145 0 0
	LANDS:—				
	Land Appeal Court, President and Members, Act No. 55, VIC. NO. 26.....	4,000 0 0			
	Western Land Board, New South Wales, Act No. 70 of 1901.....	3,500 0 0			8,507 1 4
	Pastures Protection Act, No. 111 of 1902.....			1,007 1 4	
	Carried forward.....	£ 38,456 17 2		4,220,439 3 7	4,258,896 0 9
	Carried forward.....	£ 2,636,378 8 11	4,258,331 2 0	843,675 17 6	7,738,385 8 5

DETAIL STATEMENT OF DISBURSEMENTS, CONSOLIDATED REVENUE FUND—continued.

No. of Appropriation.	HEAD OF SERVICE.	ESTABLISHMENTS.		OTHER SERVICES.	TOTAL PAYMENTS.
		Salaries.	Contingencies.		
		£ s. d.	£ s. d.	£ s. d.	£ s. d.
	SERVICES OF THE YEAR ENDED 30th JUNE, 1908—continued.				
	Brought forward	£ 2,636,378 8 11	4,258,331 2 0	843,675 17 6	7,738,385 8 5
	Special Appropriations—continued.				
	Brought forward	£ 38,456 17 2	.....	4,220,439 3 7	4,258,896 0 9
	WORKS:—				
	General Post Office Approaches Improvement Act, 13 Vic No. 13, and No. 13 of 1901 .....	.....	.....	361 12 10	} 539 10 9
	Local Government (Shires) expenses of Temporary Councils, First Shire Elections, &c., Act No. 56 of 1906 .....	.....	.....	177 17 11	
	PUBLIC INSTRUCTION:—				
	Endowment, Sydney University, Act No. 22 of 1900, and 92 of 1902 .....	.....	.....	10,000 0 0	} 18,458 6 8
	Endowment, Australian Museum, Act No. 61 of 1902 .....	.....	.....	1,000 0 0	
	Endowment, Sydney Grammar School, Private Act, 2nd December, 1854 .....	.....	.....	1,500 0 0	
	Endowment, Affiliated Colleges, Act No. 22 of 1900 .....	.....	.....	1,458 6 8	
	Endowment, Women's College, Act No. 71 of 1904 .....	.....	.....	500 0 0	} 2,000 0 0
	Endowment, Public Library, Act No. 54 of 1899 .....	.....	.....	2,000 0 0	
	Endowment, National Art Gallery, Act No. 54 of 1899 .....	.....	.....	2,000 0 0	
	MINES:—				
	Endowment, Miners' Accident Relief Act, Act No. 42 of 1900, and 71 of 1901 .....	.....	.....	14,840 8 2	14,840 8 2
	TOTAL, SPECIAL APPROPRIATIONS	£ 38,456 17 2	.....	4,221,277 9 2	4,292,734 6 4
	TOTAL NET EXPENDITURE FOR THE SERVICES OF THE YEAR ENDED 30TH JUNE, 1908	£ 2,674,835 6 1	4,258,331 2 0	5,097,953 6 8	12,031,119 14 9
	IN ADJUSTMENT OF VOTE. ADVANCE TO TREASURER, 1906-7				44,987 12 0
	PUBLIC WORKS FUND—TWO-THIRDS OF THE NET PROCEEDS OF THE SALE OF CROWN LANDS IN 1906-7 (EXCLUSIVE OF INTEREST), LESS 20 PER CENT., UNDER ACT NO. 9 OF 1906				403,408 18 6
	PUBLIC WORKS FUND—TWO-THIRDS OF THE NET PROCEEDS OF THE SALE OF CROWN LANDS, 1907-3 (to the 25th June, 1908),—EXCLUSIVE OF INTEREST—LESS 20 PER CENT., UNDER ACT NO. 9 OF 1903				346,070 0 0
151	TRANSFER TO PUBLIC WORKS FUND—GRANT IN AID				650,000 0 0
152	TRANSFER TO CLOSER SETTLEMENT FUND—GRANT IN AID				200,000 0 0
	REPAYMENTS TO STATE DEBT COMMISSIONERS UNDER ACT OF 1895, 59 VIC. NO. 6, ON ACCOUNT OF BOGAN SCRUB CLEARING				6,145 9 7

The Treasury, New South Wales,
Sydney, 28th July, 1903.

C. G. L. BOYCE,
Comptroller of Accounts.

T. WADDELL,
Treasurer.

E.**Detail Statement of Other Payments.**

ABSTRACT of OTHER PAYMENTS or ADVANCES from the CONSOLIDATED REVENUE FUND during the Financial Year ended 30th June, 1908, recoverable, included in Account Current, page 3.

HEAD OF EXPENDITURE.	Amount.	Total.
	£ s. d.	£ s. d.
Advance to Treasurer, 1907-1908—		
Net total payments	£ 119,491 7 6	
Less to be Voted (see page 3)	58,328 3 10	
Total to be recovered	£	61,163 3 8
State Children's Relief Act No. 61 of 1901 ... ..	.....	4,049 15 5
In anticipation of Loan Votes, 1907-1908—		
Railways and Tramways—		
Rolling Stock, to meet Additional Traffic Requirements ...	126,572 11 10	
Additions to Railway Lines, Station Buildings, and for other purposes	105,037 9 3	
Sydney Harbour Trust—		
Towards Construction of Rat-proof Walling, New Berthing Accommodation, New Jetties, Sheds, Roads and Approaches, and works generally for the Improvement of the Port	8,188 11 9	
Secretary for Public Works—		
Railways—		
Manilla to Barraba... ..	10,000 0 0	
Temora to Barellan... ..	15,000 0 0	
Mudgee to Dunedoo	359 5 8	
Water Supply—		
20-inch Main—Wallsend to Buttai	17,172 13 4	
Metropolitan Board of Water Supply and Sewerage—		
Water Supply—Extension and Improvements to General Reticulation, Reservoirs, Raising and Lining Lower Canal, Pumps, &c., Works, generally	14,199 1 3	
Sewerage—Construction and Ventilation, Reticulation Sewers generally, Buildings, Works, generally	27,516 19 1	
Hunter District Board of Water Supply and Sewerage—		
Extension of Reticulation	515 15 5	
Extension of Water Supply to Cessnock	35 6 10	
		324,597 14 5
Advance to Commonwealth Government on Account of New South Wales Money Order Business ... ..	.....	25,000 0 0
TOTAL, OTHER PAYMENTS	£	414,810 13 6

F.

DETAILED STATEMENT of Payments "Unauthorised in Suspense" during the Financial Year ended 30th June, 1908, included in Account Current, page 3.

HEAD OF EXPENDITURE.	Amount.	Total
	£ s. d.	£ s. d.
Railways and Tramways—		
Railways, Working Expenses	154,873 2 10	
Tramways, Working Expenses	24,672 9 6	
		179,545 12 4
Total	£	179,545 12 4

* Included in £23,497,904 12s. 4d., shown under total Railways, page 24.

G.

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS made during the Year ended 30th June, 1908, from the Vote "Advance to Treasurer," 1907-8, Consolidated Revenue Fund, on Account of Services of the Year 1907-8, page 3.

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
No. I.—SCHEDULES TO THE CONSTITUTION ACT.	£ s. d.	£ s. d.
SUPPLEMENT TO SCHEDULES.		
Pensions to Stock Inspectors ... ..	.....	63 14 0
TOTAL SCHEDULES ... .. £	.....	63 14 0
No. II.—EXECUTIVE AND LEGISLATIVE.		
LEGISLATIVE COUNCIL.		
Contingencies—Bonuses to Messengers and Waiters ... ..	.....	16 6 6
LEGISLATIVE ASSEMBLY.		
Contingencies—Bonuses to Messengers and Waiters ... ..	.....	50 17 6
LEGISLATIVE COUNCIL AND ASSEMBLY.		
Contingencies—		
Bonuses to Messengers and Waiters	44 2 6	
Fire Insurance on Buildings and Furniture, Parliament House	78 12 9	
		122 15 3
PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS.		
Salaries—Messenger, at £104 per annum, from 9th March, 1908 ... ..	.....	32 8 7
TOTAL, EXECUTIVE AND LEGISLATIVE £	.....	222 7 10
No. III.—COLONIAL SECRETARY, LABOUR AND INDUSTRY.		
COLONIAL SECRETARY.		
Salaries—Clerical Relieving Staff ... ..	.....	33 6 8
AUDITOR-GENERAL.		
Salaries—Three Temporary Clerks, at 7s. per diem, from 3rd January to 11th February, 1908; one Temporary Clerk, at 7s. per diem, from 6th January to 11th February, 1908; four Temporary Clerks, at 10s. per diem, from 12th February, 1908 ... ..	.....	286 14 6
ABORIGINES PROTECTION BOARD.		
Salaries—Clerk, at £50 per annum, from 22nd April, 1908 ... ..	.....	9 11 8
POLICE.		
Salaries—Clerk, difference between £150 and £180 per annum, from 21st January, 1908; Junior Clerk, at £50 per annum, from 8th May, 1908 ... ..	.....	20 15 7
Contingencies—		
F. Blood-Smyth—Compassionate allowance..	100 0 0	
Chard v. Davoren—Costs of settlement of action	29 9 0	
Doyle v. Coates and Hanney—Law costs	27 6 3	
		156 15 3
Carried forward... .. £	.....	507 3 8
Carried forward ... .. £	.....	286 1 10

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on Account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward... .. £	.....	286 1 10
No. III.—COLONIAL SECRETARY, LABOUR AND INDUSTRY—<i>continued.</i>		
Brought forward ... .. £	.....	507 3 8
DEPARTMENT OF PUBLIC HEALTH.		
Salaries—Temporary Medical Officer, at £10 10s. per week, from 1st September, 1907, to 31st May, 1908; Acting Micro-Biologist, differ- ence between £600 and £800 per annum, from 1st July to 8th September, 1907; Clerk, at £160 per annum, from 20th May, 1908 ... ..	.....	465 15 6
Contingencies—Dr. J. A. Thompson, allowance to defray expenses in connection with his visit to Berlin, to represent New South Wales at the International Congress of Hygiene and Demography ... ..	.....	175 0 0
MAINTENANCE OF THE DESTITUTE SICK.		
Sydney Hospital—Subsidy at the rate of £35 per bed for seventy-five additional beds ... ..	.....	2,406 5 0
REGISTRY OF FRIENDLY SOCIETIES AND TRADES UNIONS.		
Salaries—Registrar of Friendly Societies and Trades Unions—Superannuation deduction on account of salary, at £500 per annum, for June, 1907 ... ..	.....	1 13 4
GOVERNMENT ASYLUMS FOR THE INFIRM AND DESTITUTE.		
Salaries—		
Acting Matron Superintendent, Newington— half the difference between £86 and £190 per annum from 8th June, 1907, to 19th February, 1908; Nurse and Dispenser, New- ington Asylum, at £120 per annum (less £11 for quarters, &c.) from 5th November, 1907; two Attendants at £90 per annum from 1st December, 1907; Attendant at £90 per annum (less £11 for quarters, &c.) from 1st April, 1908	232 13 11	
Adjustment of Salaries of Attendants, Nurses, &c. (under Public Service Regulations, 188 and 191 of 22nd May, 1907)	32 0 9	
		264 14 8
Contingencies—Mr. Henry Sutton, late Baker, Liverpool Asylum—Allowance in lieu of leave of absence ... ..	.....	22 6 0
DEPARTMENT OF FISHERIES.		
Salaries—Caretaker, Mount Kosciusko Trout Hatchery, at £5 per week, from 10th October, 1907, to 16th January, 1908; and to cover amount deducted by Government Architect's Branch, from salary of Caretaker, Mount Kosciusko Trout Hatchery, whilst receiving instruction at Prospect Hatchery, 28th August, and 16th to 19th September, 1907 ... ..	.....	70 18 8
Carried forward... .. £	.....	3,913 16 10
Carried forward ... .. £	.....	286 1 10

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on Account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward... .. £	.....	286 1 10
No. III.—COLONIAL SECRETARY, LABOUR AND INDUSTRY— <i>continued.</i>		
Brought forward ... .. £	.....	3,913 16 10
CENTENNIAL PARK.		
Salaries—Head Gardener, at 8s. 6d. per diem, from 1st June, 1908 ... ..	.....	11 1 0
STORES SUPPLY AND TENDER BOARD.		
Salaries—Clerical Relieving Staff ... ..	.....	220 0 0
LABOUR AND INDUSTRY.		
Salaries—Inspector of Factories and Shops, at £180 per annum, from 16th March, 1908 ... ..	.....	52 14 10
ENDOWMENT TO HOSPITALS AND OTHER CHARITABLE SERVICES—		
SUBSIDIES.		
Royal Alexandra Hospital for Children—Further subsidy on condition that an equal amount be raised by private annual contributions, and also that the Government, through Police Magistrates, or other approved officers, have the right of recommending the admission of patients... ..	.....	842 6 2
OTHER SERVICES.		
Waratah Benevolent Home—Repairs to boiler, &c. ... ..	.....	13 3 4
MISCELLANEOUS SERVICES.		
Marrickville United Friendly Societies' Dispen- sary and Lodge Hall. Special grant towards acquisition of land and erection of building ...	750 0 0	
Newington Asylum—Interest, &c., on purchase- money of land	57 10 9	
Royal Commission of Inquiry into Lands Administration—Expenses	2,493 18 8	
Royal Commission on Forestry—Expenses ...	4,967 5 4	
Royal Commission regarding the earth subsidence at Newcastle—Expenses	742 10 3	
Royal Commission into Coal-mining Disputes at Newcastle and Gunnedah—Expenses... ..	805 16 2	
Reimbursement for Expenses incurred by Mr. J. S. Withington, being amount equivalent to the Parliamentary allowance which would have been payable to him had Parliament been in Session at the time of his Election—further sum	0 16 2	
Purchase of "Cranbrook," State Governor's Resi- dence—Fees	5 5 0	
Pension to Constable J. F. Alford, in addition to the pension payable to him from the Police Superannuation Fund upon his retirement, through being injured in the execution of his duty	7 12 6	
New South Wales Zoological Society—Cost of col- lection of Australian animals for special exhibi- tion in the London Zoological Society's Gardens	188 14 6	
Royal Naval House—Special Grant in aid of, including rates and taxes	21 13 6	
Purchase of horse for Mr. E. Tomlin	25 0 0	
		10,066 2 10
TOTAL, COLONIAL SECRETARY, LABOUR AND INDUSTRY ... .. £	.....	15,119 5 0
Carried forward ... .. £	.....	15,405 6 10

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on Account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
Brought forward £	£ s. d.	£ s. d. 15,405 6 10
No. IV.—TREASURER AND SECRETARY FOR FINANCE AND TRADE.		
TREASURY.		
Salaries—Shorthand-writer and typist, Correspondence Branch, at £75 per annum, from 1st May, 1908; Housekeeper, cash value of quarters (whilst on leave prior to retirement) at £40 per annum, from 18th March to 10th June, 1907...	21 15 8	
Salaries—Clerical Relieving Staff	160 9 4	182 5 0
LAND AND INCOME TAX.		
Salaries—Clerk, difference between £150 and £180 per annum, from 1st July to 31st December, 1907 ... ..	.....	15 0 0
GOVERNMENT PRINTER.		
Salaries—Artist at £450 per annum, from 1st November, 1907; Lithographic Artist at £210 per annum, from 1st February, 1908; Clerk, difference between £190 and £200 per annum, from 1st July, 1907; Clerk, difference between £200 and £210 per annum, from 1st January, 1908 ... ..	.....	402 10 0
SHIPPING MASTER.		
Salaries—Temporary Junior Clerk, at £50 per annum, from 20th March to 30th April, 1908; Temporary Junior Clerk, at 15s. per week, from 1st May, 1908	12 5 7	
Salaries—Clerical Relieving Staff	18 6 8	30 12 3
Contingencies—Clerical Relieving Staff—Travel-ling Expenses ... ..	.....	9 12 10
NAVIGATION DEPARTMENT.		
Salaries—Examiner in Navigation, at £380 per annum, from 1st January, 1908; Temporary Junior Clerk, at £1 per week, from 1st July to 11th October, 1907; Temporary Junior Clerk, at £1 5s. per week, from 12th October, 1907, to 16th February, 1908; Temporary Junior Clerk, at £2 2s. per week, from 17th February, 1908	268 2 10	
Salaries—Clerical Relieving Staff	36 13 4	304 16 2
LIGHTHOUSES.		
Salaries—Principal Light-keeper, Byron Bay, difference between £237 and £247 per annum, from 1st to 31st July, 1907; Acting Principal Keeper, Hornsby, at £247 per annum, from 1st August, 1907, to 22nd June, 1908; Acting Principal Keeper, Point Stephens, at £157 per annum, from 1st August, 1907, to 7th June, 1908; Acting First Assistant Light-keeper, Barrenjoey, at £120 per annum, from 1st March, 1908 ... ..	.....	395 14 1
Carried forward ... .. £	.....	1,340 10 4
Carried forward... .. £	.....	15,405 6 10

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on Account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward £	15,405 6 10
No. IV.—TREASURER AND SECRETARY FOR FINANCE AND TRADE— <i>continued.</i>		
Brought forward £	1,340 10 4
SEA AND RIVER PILOTS.		
Salaries—Acting Pilot, Forster, at £150 per annum, from 13th October, 1907; Master, launch "Carrington," at £156 per annum, from 1st February, 1908; Acting First Mate, "Captain Cook," half the difference between £150 and £180 per annum, from 9th October to 12th November, 1907; Acting First Engineer, Pilot Steamer, "Captain Cook," half the difference between £200 and £252 per annum, from 17th May to 20th June, 1907	176 11 5
MASTERS, ENGINEERS, AND BOATMEN.		
Salaries—Acting Boatman, Port Macquarie, at £126 per annum, from 1st March, 1908	42 0 0
TELEGRAPH STATIONS.		
Salaries—Seaman, "Captain Cook": difference between £117 and £122 per annum from 1st to 31st January, 1908; Night Look-out, South Head, at £122 per annum, from 1st February to 18th June, 1908	47 3 8
PUBLIC WHARFS.		
Salaries—Assistant Wharfinger, Woolgoolga, at £100 per annum, from 5th March, 1908	32 5 2
Contingencies—Gratuity to E. W. Blakeney, late Inspector of Public Wharfs	80 0 0
ADMINISTRATION OF OLD-AGE PENSIONS, &c.		
Salaries—Junior Clerk, at £50 per annum, from 30th March, 1908	12 15 4	
Salaries—Clerical Relieving Staff	55 0 0	
		67 15 4
Contingencies—Expenses in connection with the Administration of the Invalidity and Accidents Pensions Act of 1907	908 6 7
WEIGHTS AND MEASURES.		
Salaries—Inspector, Metropolitan District, at £425 per annum, from 1st October, 1907, to 30th April, 1908; Inspector, Metropolitan District, at £82 per annum, from 1st February, 1907, to 30th April, 1908	350 8 4
Contingencies—Weights and Measures Offices, Alterations	26 17 3
RESUMED PROPERTIES.		
Salaries—Acting Manager, at £450 per annum, from 5th July to 1st August, 1907	33 17 5
SYDNEY HARBOUR TRUST.		
Salaries—Increments to Junior Officers	91 6 9
Contingencies—Allowance to Captain Jackson, as Deputy-Commissioner	40 0 0
AGENT-GENERAL.		
Salaries—Clerk, difference between £300 and £310 per annum, from 1st July, 1907, to 30th April, 1908	8 6 8
Carried forward £	3,245 8 11
Carried forward £	15,405 6 10

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on Account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward ... .. £	.....	15,405 6 10
No. IV.—TREASURER AND SECRETARY FOR FINANCE AND TRADE—<i>continued.</i>		
Brought forward ... .. £	.....	3,245 8 11
PUBLIC LIBRARY.		
Salaries—Library Assistant, difference between £160 and £170 per annum, from 12th Feb- ruary to 30th June, 1907; Cataloguer, differ- ence between £150 and £160 per annum, from 12th February to 30th June, 1907 ... ..	.....	7 13 6
MITCHELL LIBRARY.		
Salaries—Temporary Attendant at £130 per annum, from 23rd April, 1908; Temporary Watchman at £130 per annum, from 24th February, 1908; Temporary Cleaner at £108 per annum, from 24th February, 1908 ... ..	.....	107 19 10
Contingencies—Insurance on Printed Books, &c. ....	.....	86 19 5
DEPARTMENT OF INTELLIGENCE AND BUREAU OF STATISTICS.		
Salaries—Secretary, Franco-British Exhibition Commission, at £220 per annum, from 1st August, 1907, to 31st March, 1908; Clerk, Franco-British Exhibition Commission, at £150 per annum, from 11th January, 1908; Clerk, at £110 per annum, from 1st September, 1907; Clerk, difference between £170 and £180 per annum, from 24th May to 30th June, 1907; Caretaker, Jenolan Caves, difference between £125 and £160 per annum, from 1st January, 1908; Guide, Jenolan Caves, difference between £100 and £110 per annum, from 1st January, 1908; Guide, Jenolan Caves, difference between £100 and £110 per annum, from 1st January, 1908; Typist, at £75 per annum, from 1st April, 1908	356 11 11	
Salaries—Clerical Relieving Staff	163 16 0	
		520 7 11
Contingencies—Mr. A. J. McMillan—Bonus as Assistant Tourist Officer	25 0 0	
Challis House, Rent of Premises	791 13 4	
Do Commission and Expenses incurred in letting Premises	34 15 6	
		851 8 10
MISCELLANEOUS SERVICES.		
Australian Exhibition of Women's Work, Special Grant	350 0 0	
Women's Industrial Exhibition, Melbourne— Expenses	68 3 0	
Refund of Half Fees paid under the Cattle Slaughtering and Diseased Animals Acts	22 17 6	
To meet Salaries of Officers lately employed in the Government Savings Bank	405 1 2	
Mr. W. H. Christie, late Clerk, Advances to Settlers' Board—Balance of salary	4 4 8	
Carried forward £	850 6 4	4,819 18 5
Carried forward ... .. £	.....	15,405 6 10

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward ... .. £	.....	15,405 6 10
 No. IV.—TREASURER AND SECRETARY FOR FINANCE AND TRADE— <i>continued.</i>		
Brought forward £	850 6 4	4,819 13 5
MISCELLANEOUS SERVICES— <i>continued.</i>		
Transferred Properties—Expenses of Valuation...	109 3 8	
Refund of Fees—Pilots' Licenses	5 0 0	
New South Wales Military Contingents to South Africa—Expenses	68 11 2	
Imperial and State Contingents' Pay Office— Expenses	230 0 0	
Imperial and State Contingents' Advisory and Pension Board—Expenses	42 11 2	
Expenses in connection with Citizens' Bushmen's Contingent (D'Arcy v. Cary and others) ...	16 12 4	
Federal Capital Site—Expenses of Inspection ...	6 8 7	
Repatriation of Australians from South Africa— Expenses	178 8 7	
New Zealand Exhibition—Towards representa- tion of the State	743 18 5	
Halliday Bros.—Refund of Rent on account of Darling Harbour Resumptions	21 0 0	
Refund of part Commission charged in the Estate of the late Margaret Anderson ...	16 0 4	
Commissioner for Stamps v. Messrs. M. E. and G. Salting—Expenses of Appeal to the Privy Council	245 12 5	
Revaluation in the Estate of the late Mr. E. Terry	99 15 0	
Proportion of Cost of Handbook of the Australian States	71 2 0	
Erection of Monument to the late Constable Nelson at Collector	67 5 0	
Lambton Municipal Council—Special Grant ...	54 15 4	
Expenses of investigating the affairs of W. Sandford (Limited)	152 16 2	
Court of Investigation into the Murrurundi Rail- way Accident—Expenses	24 16 7	
Mr. W. A. Martin—Refund of Forfeited De- posit	25 0 0	
Adjustment of salaries of officers in receipt of salary of more than £150 per annum (under the provisions of the regrading scheme, Regu- lation No. 149, under the Public Service Act).	828 1 5	
To meet increments to salaries of the Clerical Relieving Staff, on account of previous years...	151 5 7	
Maintenance of Old Age Pensioners in country Hospital. (Victoria).	6 10 0	
Municipal and Shire Rates on Government Property... ..	2,930 18 5	
		6,945 18 6
TOTAL, TREASURER AND SECRETARY FOR FINANCE AND TRADE... .. £	.....	11,765 16 11
Carried forward ... .. £	.....	27,171 3 9

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
Brought forward ... .. £	.....	27,171 3 9
No. VI.—ATTORNEY-GENERAL AND JUSTICE.		
DEPARTMENT OF THE ATTORNEY-GENERAL AND JUSTICE.		
Salaries—Clerk at £210 per annum, from 1st November to 31st December, 1907; Clerk at £230 per annum, from 1st January, 1908; Junior Messenger, Crown Solicitor's Office, difference between £65 and £74 10s. per annum, from 11th March to 9th April, 1908 ... ..	.....	150 15 6
Contingencies—Mr. S. J. Stevenson, Messenger—Allowance for attending Parliament House...	.....	14 18 11
THE JUDGES.		
Salaries—Salaries of Acting Supreme Court and District Courts Judges ... ..	.....	1,145 14 11
MASTER IN EQUITY.		
Salaries—Clerical Relieving Staff ... ..	.....	11 16 7
REGISTRAR IN BANKRUPTCY.		
Salaries—Acting Registrar in Bankruptcy at £750 per annum, from 20th December, 1907. ....	.....	399 3 10
PETTY SESSIONS.		
Salaries—Stipendiary Magistrate, difference between £750 and £770 from 1st January, 1906 to 30th June, 1907; Clerk of Petty Sessions and Chamber Magistrate (half the difference between £420 as Chief Clerk, and £600 per annum, from 1st August to 31st October, 1907; half the difference between £430 as Chief Clerk, and £600 per annum, from 15th November to 31st December, 1907; half the difference between £440 as Chief Clerk, and £600 per annum, from 1st January to 22nd February, 1908); Acting Chief Clerk, Central Police Office (half the difference between £310 as Clerk, and £430 per annum, from 1st August to 31st October, 1907; half the difference between £310 as Clerk, and £430 per annum, from 15th November to 31st December, 1907; half the difference between £310 as Clerk, and £440 per annum, from 1st January to 29th February, 1908); Clerk, half the difference between £280 and £310 per annum, from 1st August to 31st October, 1907 ... ..	.....	112 6 9
Contingencies—Mr. C. F. Butler, P.M., Yass—Bonus for performing additional duties as P.M., Cowra, and Young ... ..	.....	30 0 0
REGISTRAR-GENERAL.		
Salaries—Two Clerks, difference between £170 and £180 per annum, from 16th March to 30th June, 1907	5 17 2	
Salaries—Clerical Relieving Staff	220 0 0	
		225 17 2
Carried forward... .. £	.....	2,090 13 8
Carried forward ... .. £	.....	27,171 3 9

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on Account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward ... .. £	.....	27,171 3 9
No. VI.—ATTORNEY-GENERAL AND JUSTICE— <i>continued.</i>		
Brought forward ... .. £	.....	2,090 13 8
PUBLIC SERVICE BOARD.		
Deputy Member, Public Service Board, at £1,000 per annum, from 1st July to 15th September, 1907; Shorthand-writer, half the difference between £220 and £270 per annum, from 17th July to 31st December, 1907; Shorthand-writer, half the difference between £220 and £280 per annum from 1st January, 1908	234 15 1	
Salaries—Clerical Relieving Staff	232 3 5	466 18 6
Contingencies—Scientific Committee of Advice to the Public Service Board—Fees ... ..	.....	6 6 0
INDUSTRIAL ARBITRATION.		
Salaries—Acting Member at £750 per annum, from 1st January to 9th February, 1908 (less £50 provided on Estimates-in-Chief) ... ..	.....	31 18 0
MISCELLANEOUS SERVICES.		
Refund of Fees, Fines, and Forfeitures remitted Mr. M. Boland, late Police Magistrate, Hillston—Cost of Medical attendance and purchase of medicine in connection with injuries received while in the execution of his duty	57 19 4	
Dr. R. J. Craig—Compensation for land surrendered at Centennial Park	21 17 8	
	75 0 0	154 17 0
TOTAL, DEPARTMENT OF ATTORNEY-GENERAL AND JUSTICE ... .. £	.....	2,750 13 2
No. VII.—SECRETARY FOR LANDS.		
DEPARTMENT OF LANDS.		
Salaries—District Forester, difference between £260 and £270 per annum, from 1st July, 1907; four Cadets at £75 per annum (each), from 8th October, 1907 (less four days' pay deducted)	228 10 10	
Salaries—Clerical Relieving Staff	190 1 3	418 12 1
Contingencies—		
Mr. M. A. Maclean—Allowance as Acting Chairman of Armidale and Moree Local Land Board	43 10 11	
Mr. M. A. Maclean—Allowance as Acting Chairman, Local Land Board, Dubbo	57 10 0	
Mr. H. Newman—Allowance for performing duties of Crown Lands Agent at Orange	22 3 5	
Mr. F. B. Nowell—Allowance as Acting Draftsman in Charge, Maitland	4 0 0	
Mr. H. Bartley—Bonus for preparation of Index of the Land Acts	28 0 0	155 4 4
Carried forward... .. £	.....	573 16 5
Carried forward ... .. £	.....	29,921 16 11

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on Account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	To BE VOTED.	
	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward ... .. £	.....	29,921 16 11
No. VII.—SECRETARY FOR LANDS— <i>contd.</i>		
Brought forward ... .. £	.....	573 16 5
IMPROVEMENT LEASES CANCELLATION BOARD.		
Salaries—Representative, Crown Law Office, difference between £270 as Clerk, Crown Solicitor's Office, and £500 per annum, from 1st July to 6th December, 1907; Clerk, difference between £200 as Clerk, Lands Department, and £275 per annum, from 1st July to 6th December, 1907 ... ..	.....	132 0 0
Contingencies—		
Mr. J. A. Yorke, Secretary—Allowance for services rendered	60 10 0	
Travelling expenses, witnesses' expenses, &c....	2,071 10 4	
		2,132 0 4
CLOSER SETTLEMENT ADVISORY BOARD.		
Salaries—Chairman, Armidale, at £800 per annum, from 28th January, 1908; Chairman, Forbes, at £800 per annum, from 28th January, 1908; Chairman, Wagga Wagga, at £800 per annum, from 28th January, 1908; six Members, at £600 per annum (each), from 28th January, 1908; Surveyor (Temporary), Wagga Wagga, at £74 per month, from 24th February, 1908; Surveyor (Temporary), Forbes, at £74 per month, from 10th March to 31st May, 1908; Expert Valuer, Northern District, at £400 per annum, from 1st May, 1908; Secretary, Forbes, at £170 per annum (with living allowance at £30 per annum), from 17th February, 1908; Secretary, Wagga Wagga, at £170 per annum (with living allowance at £30 per annum), from 24th February, 1908; Secretary, Armidale, at 10s. per diem (with living allowance at £43 10s. per annum), from 24th February, 1908; Junior Clerk, at 15s. per week, from 14th April, 1908; Draftsman, Head Office, at £150 per annum, from 30th April, 1908 ... ..	.....	3,390 18 0
Contingencies—		
Travelling expenses, witnesses' expenses, &c.	1,821 11 9	
		1,821 11 9
Carried forward... .. £	.....	8,050 6 6
Carried forward ... .. £	.....	29,921 16 11

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on Account of Services of Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward ... .. £	.....	29,921 16 11
No. VII.—SECRETARY FOR LANDS— <i>contd.</i>		
Brought forward £		8,050 6 6
MISCELLANEOUS SERVICES.		
Refund of survey fees, &c.	123 19 8	
Special Timber Tests—Expenses... ..	175 6 6	
Goldsbrough, Mort, & Co.—Compensation for improvements on area withdrawn from Scrub Lease, No. 75, Nyngan District	339 7 8	
Rabbit experiments, Broughton Island—Expenses	215 8 4	
Mr. T. F. Knox—Compensation for improvements made in scrub lease, No. 6, County of Bland	81 19 9	
Mr. Thomas Keighran — Compensation for improvements on area withdrawn from Improvement Lease No. 1,131, for Temporary Common at Henty	88 19 5	
Messrs. E. J. Sievers, and W. N. Sendall—Bonus of £50 each for services in connection with Court of Inquiry, held at Tamworth, <i>re</i> Peel River Estate	100 0 0	
Rea <i>v.</i> Walker (Glenfield Road)—in full settlement of claim	250 0 0	
		1,375 1 4
TOTAL, SECRETARY FOR LANDS ... .. £	.....	9,425 7 10
No. VIII.—SECRETARY FOR PUBLIC WORKS.		
DEPARTMENT OF PUBLIC WORKS.		
Salaries—		
Clerk, Auditor-General's Department, proportion of salary, at £250 per annum, for services in connection with the Capital Account, of the following, viz., Hunter District Water Supply and Sewerage, Country Towns Water Supply and Sewerage, and Darling Harbour and Rocks Resumptions, from 1st July, 1907, to 31st May, 1908 ; Acting-Secretary to the Board of Reference and Tender Board, half the difference between £220 and £300 per annum, from 24th May, 1907, to 31st May, 1908	190 17 2	
Salaries—Clerical Relieving Staff	20 6 2	
		211 3 4
Contingencies—Mr. John Lang, bonus, as Time-keeper at Barren Jack ... ..	.....	10 0 0
LABOUR BUREAU.		
Salaries—Manager, Randwick Farm, difference between £114 and £128 per annum, from 1st January to 30th June, 1907 ... ..	.....	7 0 0
Contingencies—Rabbiters, fossickers, &c. Tents, &c., supplied ... ..	.....	130 17 10
Carried forward... .. £	.....	359 1 2
Carried forward ... .. £	.....	39,347 4 9

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8
Consolidated Revenue Fund, on Account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward ... .. £	.....	39,347 4 9
No. VIII.—SECRETARY FOR PUBLIC WORKS.		
Brought forward ... .. £	.....	359 1 2
MISCELLANEOUS SERVICES.		
Local Government Conference—Expenses ...	340 14 8	
Murwillumbah Municipal Council—Special grant to repair roads	500 0 0	
Filling up Crown lands at Kensington	736 4 0	
Cost of experimenting with rock-chopping machine at Government Dockyard, Biloela...	1 9 8	
Mr. F. J. Carson—Refund of forfeited deposit ...	123 0 0	
Messrs. MacKenzie and Kerr—Refund of forfeited deposit, Oreel Bore, No. 1	9 15 0	
Lugarno Ferry—Wages of Ferryman	28 11 5	
Gratuity, on retirement, to W. J. Pinkerton, maintenance-man	2 2 0	
Mrs. Susan Cronan—Compensation, in consideration of loss of her husband, J. J. Cronan, who was killed at Port Kembla quarry while in the execution of his duty	100 0 0	
Federal Government House—Renovating pictures (Proportion of cost to New South Wales)...	23 0 0	
Road, Jindabyne to Mount Kosciusko—Maintenance	494 5 0	
Roads, Closer Settlement Areas—Maintenance...	187 14 6	
Royal Commission on Communication between Sydney and North Sydney	443 10 2	
Royal Commission on the Remodelling of Sydney—Expenses	12 0 4	
American Fleet—Expenses in connection with reception	210 18 1	
Municipalities and Shires—Repairs to Works and Roads damaged by floods	12,754 0 0	
		15,967 4 10
TOTAL, SECRETARY FOR PUBLIC WORKS £	.....	16,326 6 0
No. IX.—PUBLIC INSTRUCTION		
PUBLIC INSTRUCTION.		
Salaries—Clerk, difference between £150 and £160 per annum, from 17th July, 1907 ...	.....	9 11 5
Contingencies—Mr. A. W. Green, Clerk, Head Office—Bonus for extra services ... ..	.....	20 0 0
STATE CHILDREN'S RELIEF DEPARTMENT.		
Salaries—		
Superintendent, Industrial Farm Home, Mittagong, difference between £250 and £300 per annum, from 21st to 31st December, 1907; Superintendent, Industrial Farm Home, Mittagong, at £300 per annum, from 1st January, 1908; Inspector, difference between £156 and £200 per annum, from 1st January, 1908	173 9 7	
Salaries—Clerical Relieving Staff	7 6 8	
		180 16 3
Carried forward ... .. £	.....	210 7 8
Carried forward ... .. £	.....	55,673 10 9

CONSOLIDATED REVENUE FUND.

STATEMENT OF PAYMENTS from the Vote "Advance to Treasurer," 1907-8,
Consolidated Revenue Fund, on Account of Services of the Year 1907-8—*contd.*

HEAD OF SERVICE.	TO BE VOTED.	
	AMOUNT.	TOTAL.
Brought forward £	55,673 10 9
No. IX.—PUBLIC INSTRUCTION— <i>continued.</i>		
Brought forward £	210 7 8
INDUSTRIAL SCHOOLS.		
Nautical School Ship "Sobraon"— Contingencies—Purchase of Trophies of the late B. B. Keiran, and Show-case	92 2 3
INDUSTRIAL SCHOOL FOR GIRLS, PARRAMATTA. Contingencies—New Water Service	150 0 0
OBSERVATORY.		
Contingencies—Proportion of Cost incurred in connection with the Solar Eclipse Expedition to Flint Island	50 0 0
TOTAL, PUBLIC INSTRUCTION £	502 9 11
No. X.—SECRETARY FOR MINES AND AGRICULTURE.		
MINES DEPARTMENT.		
Salaries— Inspector of Collieries, at £325 per annum, from 3rd February, 1908; Clerk, at £95 per annum, from 8th October, 1907	203 0 2
STOCK AND BRANDS BRANCH.		
Salaries—Acting Inspector of Stock, Milparinka, difference between £163 and £188 per annum, from 1st January, 1908	12 10 0
AGRICULTURE BRANCH.		
Salaries—Acting Under Secretary, at £825 per annum, from 22nd January, 1908; Chief Clerk, difference between £550 and £560 per annum, from 22nd January, 1908; First Clerk, at £280 per annum, from 1st June, 1908; Orchardist, Hawkesbury Agri- cultural College, difference between £250 and £260 per annum, from 1st January 1908	398 14 0
MINERS' ACCIDENT RELIEF BOARD.		
Salaries—Junior Clerk, difference between 15s. per week and £50 per annum, from 24th May to 30th June, 1907	1 5 7
MISCELLANEOUS SERVICES—		
Committee of Inquiry into the use of Electricity in Coal-mines—Expenses	1,102 3 10	
Expenses in connection with the visit of Mr. W. E. Froggatt, Government Entomologist, to various parts of the world infected with fruit-fly and other pests, in order to discover means of eradicating or controlling them ...	434 9 7	
		1,536 13 5
TOTAL, SECRETARY FOR MINES AND AGRI- CULTURE £	2,152 3 2
TOTAL £	58,328 3 10

The Treasury, New South Wales,
Sydney, 28th July, 1908.

T. WADDELL,
Treasurer.

H.

Detail Statement of Receipts Returned.

ABSTRACT of REFUNDS of EXCESS RECEIPTS from the CONSOLIDATED
REVENUE FUND during the Financial Year ended 30th June, 1908.

HEAD OF EXPENDITURE.	Amount.	Total.
	£ s. d.	£ s. d.
Taxation—		
Stamp Duties (includes Value of Stamps received by Departments in lieu of Cash)	41,292 8 10	
Land Tax	5,318 10 2	
Income Tax	8,573 4 6	
Licenses	640 18 4	55,825 1 10
Land Revenue—Alienation	21,458 10 0	
Annual Land Revenue—		
Pastoral Occupation	27,403 5 1	
Western Lands Division	2,623 12 0	
Miscellaneous Land Receipts... ..	18,168 15 11	
Mining Occupation	6,660 1 9	76,314 4 9
Receipts for Services rendered—		
Pilotage, Harbour Dues and Fees	280 15 10	
Agricultural Colleges and Farm Accounts—Refunds £93 5 2		
Do Transfer to General Loan Account 1,010 11 6	1,103 16 8	
Fees	516 4 4	
Miscellaneous Services Rendered	403 8 5	2,304 5 3
General Miscellaneous Receipts—		
Rents (exclusive of Land)	182 17 8	
Fines and Forfeitures... ..	187 3 4	
Public Service (Superannuation) Act, No. 8 of 1903	2 16 11	
Water Rights Act	2 0 0	
Darling Harbour Resumptions	168 14 5	
Unclassified Receipts	9,195 11 11	9,739 4 3
Business Undertakings—		144,182 16 1
Railways and Tramways	87,458 12 0	
Sydney Harbour Trust	673 9 11	
Metropolitan Board of Water Supply and Sewerage—		
Water Rates £261 15 7		
Sewerage Rates 238 12 9	500 8 4	
Hunter District Water Supply and Sewerage Board Water Rates	1,778 11 6	90,411 1 9
Total Refunds of Excess Receipts... £		234,593 17 10

No. 2.

CONSOLIDATED REVENUE FUND.

DEFICIENCY ACCOUNT

TO

30TH JUNE, 1908.

No.

CONSOLIDATED
STATEMENT OF DEFICIENCY

	£	s.	d.
To Treasury Bills outstanding, under Act 59 Vic. No. 22 (Deficiency Debt to 30th June, 1895)	822,446	15	10
Treasury Bills outstanding, under Act 64 Vic. No. 68 and 1 Ed VII No. 8 (Deficiency Debt to 30th June, 1900)	155,179	4	8
Treasury Bills outstanding, under Act 5 Ed. VII No. 30 (Deficiency Debt to 30th June, 1905)	236,890	0	0
	1,214,516	0	6
<div style="position: absolute; top: 0; left: 0; right: 0; bottom: 0; border-left: 1px solid black; border-right: 1px solid black;"></div>			
To Net Surplus on Consolidated Revenue Fund on 30th June, 1908	462,408	1	9
	£ 1,676,924	2	3

The Treasury, New South Wales,
Sydney, 28th July, 1908.

C. G. L. BOYCE,
Comptroller of Accounts.

2.

REVENUE FUND.
as on 30th June, 1908.

	£	s.	d.
By Surplus on Account Current to 30th June, 1908	1,676,924	2	3
<div style="position: absolute; top: 0; left: 0; right: 0; bottom: 0; border-left: 1px solid black; border-right: 1px solid black;"></div>			
	£ 1,676,924	2	3

T. WADDELL,
Treasurer.

CONSOLIDATED REVENUE FUND.

Statement I.

SECTION 32, SUBSECTION 3, OF AUDIT ACT, 1902.

STATEMENT of unpaid Accounts rendered during the year 1907-8, which, at the close of the year, were lying in the Treasury and the various Departments of the Service.

DEPARTMENT.										TOTAL CLAIMS TO 30TH JUNE, 1908.		
										£	s.	d.
Colonial Secretary	...	...	...	...	...	...	...	...	...	9,668	13	10
Treasury	...	...	...	...	...	...	...	...	...	17,337	11	9
Attorney General and Justice	...	...	...	...	...	...	...	...	...	220	12	10
Works	...	...	...	...	...	...	...	...	...	1,933	16	6
Lands	...	...	...	...	...	...	...	...	...	12,124	10	10
Public Instruction	...	...	...	...	...	...	...	...	...	5,512	14	6
Mines and Agriculture	...	...	...	...	...	...	...	...	...	1,107	14	8
London Payments, May and June, subsequently brought to account in following year	...	...	...	...	...	...	...	...	...	17,610	4	5
Railways and Tramways	...	...	...	...	...	...	...	...	...	1,779	11	5
Harbour Trust Commissioners	...	...	...	...	...	...	...	...	...	1,336	0	0
Metropolitan Board of Water Supply and Sewerage	...	...	...	...	...	...	...	...	...	421	12	6
Total Claims unpaid on 30th June, 1908										£	69,053	3 3

Statement J.

SECTION 32, SUBSECTION 3, OF AUDIT ACT, 1902.

STATEMENT of all Revenue and Receipts payable by law to the Consolidated Revenue Fund on or before the 30th day of June, 1908, which had not reached the Treasury at the close of the year.

COLLECTING OFFICER.										AMOUNT ON 30TH JUNE, 1908.		
										£	s.	d.
In Suspense Account at Treasury	...	...	...	...	...	...	...	...	...	657	9	9
Commissioners of Taxation	...	...	...	...	...	...	...	...	...	42,978	6	5
Estimated Arrears of Land Revenue	...	...	...	...	...	...	...	...	...	133,600	0	0
Clerks of Petty Sessions, Crown Land Agents, and Mining Registrars, &c.	...	...	...	...	...	...	...	...	...	28,948	1	5
London Receipts, May and June, subsequently brought to account in following year	...	...	...	...	...	...	...	...	...	18,359	2	10
Federal Government	...	...	...	...	...	...	...	...	...	62,582	0	0
Railway Commissioners	...	...	...	...	...	...	...	...	...	39,900	7	5
Harbour Trust Commissioners	...	...	...	...	...	...	...	...	...	10,054	0	0
Metropolitan Board of Water Supply and Sewerage	...	...	...	...	...	...	...	...	...	5,011	1	3
Hunter District Water Supply and Sewerage Board	...	...	...	...	...	...	...	...	...	71	2	0
Country Towns Water Supply Works—Outstanding Interest	...	...	...	...	...	...	...	...	...	25,069	14	2
Do do Sewerage do do do	...	...	...	...	...	...	...	...	...	1,580	1	8
Water and Drainage Trust Accounts—Outstanding Interest	...	...	...	...	...	...	...	...	...	73	17	6
Total Revenue and Receipts										368,885	4	5
Per Statement J										368,885	4	5
Per Statement I										69,053	3	3
Net Receipts Consolidated Revenue Fund not brought to Account on 30th June, 1908										£	299,832	1 2

The Treasury, New South Wales.
Sydney, 28th July, 1908.

C. G. L. BOYCE,
Comptroller of Accounts.

T. WADDELL,
Treasurer.

TRUST ACCOUNT.

STATEMENT of DEPOSITS and RE-ISSUES in the year ended 30th June, 1908.

ACCOUNT.	BALANCES ON 30TH JUNE, 1907.	DEPOSITS IN THE YEAR ENDED 30TH JUNE, 1908.	TOTAL.	RE-ISSUES IN THE YEAR ENDED 30TH JUNE, 1908.	BALANCES ON 30TH JUNE, 1908.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Government Savings Bank Account, Act No. 48, 1906	1,126,965 12 5	30,017 16 2	1,156,983 8 7	11,691 3 3	1,145,292 5 4
TOTALS	£ 1,126,965 12 5	30,017 16 2	1,156,983 8 7	11,691 3 3	*1,145,292 5 4

* See page 122.

The Treasury, New South Wales,
Sydney, 28th July, 1908.

C. G. L. BOYCE,
Comptroller of Accounts.

T. WADDELL,
Treasurer.

I HEREBY certify that the above Statement represents the actual deposits with, and re-issues by, the Treasurer during the year ended 30th June, 1908, on behalf of the accounts mentioned therein.

Given under my hand, this first day of September, 1908.

JOHN VERNON,
Auditor-General.

No. 4.

SPECIAL DEPOSITS ACCOUNT.

STATEMENT of DEPOSITS and RE-ISSUES in the Year ended 30th June, 1908.

ACCOUNTS.	BALANCES ON 30TH JUNE, 1907.	DEPOSITS IN THE YEAR ENDED 30TH JUNE, 1908.	TOTAL.	RE-ISSUES IN THE YEAR ENDED 30TH JUNE, 1908.	BALANCES ON 30TH JUNE, 1908.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Crown Leases Security Deposit Account	2,475 0 0	150 0 0	2,625 0 0	.....	2,625 0 0
Fixed Deposits Account	181,425 0 0	.....	181,425 0 0	161,125 0 0	20,300 0 0
Municipal Council of Sydney—					
Moore-street Improvement Loan Sinking Fund	1,749 16 1	740 13 3	2,490 9 4	.....	2,490 9 4
Public Markets Loan Sinking Fund	13,747 1 4	1,349 16 0	15,096 17 4	.....	15,096 17 4
1901 City Loan Sinking Fund	4,072 1 11	295 8 3	4,367 10 2	.....	4,367 10 2
1903 Streets Loan Sinking Fund	6,302 17 0	369 17 5	6,672 14 5	.....	6,672 14 5
1905 Streets Loan Sinking Fund ... ..	.....	549 0 0	549 0 0	.....	549 0 0
Electric Light Loan Sinking Fund	3,406 0 9	248 6 2	3,654 6 11	.....	3,654 6 11
Realisation of Stock Sinking Fund	494 0 0	1,061 6 10	1,555 6 10	.....	1,555 6 10
Resumptions Sinking Fund	686 0 0	905 2 9	1,591 2 9	.....	1,591 2 9
Public Service Assurance Account, Act 31 of 1902	792 4 3	174 9 2	966 13 5	14 6 7	952 6 10
Savings Bank of New South Wales—Deposit Account	250,000 0 0	.....	250,000 0 0	250,000 0 0	.....
Treasury Guarantee Fund	17,777 0 2	938 12 0	18,715 12 2	121 7 11	18,594 4 3
State Debt Commissioners' Deposit Account	5,986 12 7	7,593 13 10	13,580 6 5	13,531 11 5	48 15 0
State Debt Commissioners' Trust Accounts (4 Ed. VII No. 19)—					
Municipal Council of Sydney Sinking Fund (50 Vic. No. 13)	63,010 6 8	3,958 9 7	66,968 16 3	.....	66,968 16 3
Testamentary and Trust Fund (Perpetual and Permanent Trustee Companies Acts)	474 1 1	300 8 1	774 9 2	.....	774 9 2
Bankruptcy Estates Account (Act No. 25 of 1898)	8,000 0 0	.....	8,000 0 0	.....	8,000 0 0
Bankruptcy Suitors Fund (Act No. 25 of 1898)	2,260 11 6	261 8 9	2,522 0 3	164 2 5	2,357 17 10
Bankruptcy Unclaimed Dividend Fund (Act No. 25 of 1898)	3,694 5 4	1,203 17 0	4,898 2 4	18 10 9	4,879 11 7
Seamen's Wages	58 9 6	110 5 11	168 15 5	123 11 10	45 3 7
Trust Moneys (20 Vic. No. 11). (For details, see page 52.)	286 3 10	2,874 15 6	3,160 19 4	905 13 5	2,255 5 11
Unclaimed Moneys	8,757 16 9	6,663 12 7	15,421 9 4	12,150 4 7	3,271 4 9
Carried forward	£ 575,455 8 9	29,749 3 1	605,204 11 10	438,154 8 11	167,050 2 11

SPECIAL DEPOSITS ACCOUNT—continued.

ACCOUNTS.	BALANCES ON 30TH JUNE, 1907.	DEPOSITS IN THE YEAR ENDED 30TH JUNE, 1908.	TOTAL.	RE-ISSUES IN THE YEAR ENDED 30TH JUNE, 1908.	BALANCES ON 30TH JUNE, 1908.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Brought forward	£ 575,455 8 9	29,749 3 1	605,204 11 10	438,154 8 11	167,050 2 11
Blockholders' Loan Fund (Act No. 69 of 1901)	1,714 8 0	190 8 0	1,904 16 0	.....	1,904 16 0
Centenary Park Land Sales Account (Act No. 23 of 1904) ... ..	.....	17,377 17 9	17,377 17 9	16,946 18 6	430 19 3
Hunter District Water Supply and Sewerage Board—Store Advance Account ...	1,041 17 2	8,152 4 8	9,194 1 10	6,660 10 5	2,533 11 5
Hunter District Water Supply and Sewerage Board—Deferred Payments Account ...	315 15 9	4,361 18 4	4,677 14 1	507 16 11	4,169 17 2
Imperial Pensions Account... ..	782 11 6	12,828 8 3	13,610 19 9	13,610 17 11	0 1 10
Police Superannuation and Reward Fund, Act No. 28 of 1906 (For details, see pages 53 to 63)	10,198 3 10	45,428 14 8	55,626 18 6	50,876 8 9	4,750 9 9
Poundage	1,912 17 0	5 14 2	1,918 11 2	567 19 6	1,350 11 8
Public Works Department—Security Deposit Trust Account	10,668 14 8	36,648 12 2	47,317 6 10	33,496 15 0	13,820 11 10
Public Works Department—Services of Other Departments—Advance Account ...	1,959 19 9	17,601 10 2	19,561 9 11	16,386 9 1	3,175 0 10
Public Works Department—Store Advance Account	54,369 12 9	172,009 0 1	226,378 12 10	141,603 5 2	84,775 7 8
Railway Store Account	230,736 6 10	1,404,252 2 10	1,634,988 9 8	1,548,112 2 1	86,876 7 7
Revenue Suspense Account	15,302 8 8	277,298 15 8	292,601 4 4	287,788 16 9	4,812 7 7
Sewerage Contractors' Advance Account	3,468 17 3	1,010 8 3	4,479 5 6	821 5 3	3,658 0 3
Tender Board Deposit Trust Account	5,690 14 6	12,649 15 10	18,340 10 4	12,739 15 8	5,600 14 8
Unclaimed Salaries and Wages Account	1,466 6 0	877 0 3	2,343 6 3	1,753 7 11	589 18 4
Water Supply and Sewerage Board—Store Advance Account	10,654 5 0	22,819 1 0	33,473 6 0	28,917 14 9	4,555 11 3
Water Supply and Sewerage Board—Trust Account	1,000 0 0	.....	1,000 0 0	.....	1,000 0 0
Water and Drainage Loan Redemption Fund	412 2 8	969 14 9	1,381 17 5	5 4 0	1,376 13 5
Sundry Deposits Account	83,524 13 11	265,140 2 7	348,664 16 6	250,511 0 5	98,153 16 1
TOTALS	1,010,675 4 0	2,329,370 12 6	3,340,045 16 6	2,849,460 17 0	*490,584 19 6

* See page 122.

The Treasury, New South Wales,
Sydney, 28th July, 1908.

C. G. L. BOYCE,
Comptroller of Accounts.

T. WADDELL,
Treasurer.

I HEREBY certify that the above Statement represents the actual deposits with, and re-issues by, the Treasurer, during the year ended 30th June, 1908, on behalf of the accounts mentioned therein.

JOHN VERNON,
Auditor-General.

Given under my hand, this first day of September, 1908.

K.

TRUST MONEYS (INSOLVENT ESTATES) DEPOSIT ACCOUNT.

STATEMENTS of TRUST MONEYS (Insolvent Estates) deposited in the TREASURY, and of the RE-ISSUES in the Year ended 30th June, 1908.

OFFICER DEPOSITING.	BALANCES ON THE 30TH JUNE, 1907.	DEPOSITS IN THE YEAR ENDED 30TH JUNE, 1908.	TOTAL.	RE-ISSUES IN THE YEAR ENDED 30TH JUNE, 1908.	BALANCES ON THE 30TH JUNE, 1908.
Official Assignees in Insolvency—	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
W. H. Palmer	286 3 10	2,874 15 6	3,160 19 4	905 13 5	2,255 5 11
TOTALS (see page 50) £	286 3 10	2,874 15 6	3,160 19 4	905 13 5	2,255 5 11

L.

POLICE SUPERANNUATION AND REWARD FUND.

(ACT No. 28 OF 1906.)

ACCOUNT CURRENT

OF

RECEIPTS AND DISBURSEMENTS

IN THE

YEAR ENDED 30TH JUNE, 1908.

PARTICULARS OF RECEIPTS.		TOTAL.
To CASH BALANCE ON 30TH JUNE, 1907—	...	£ 10,198 3 10
To AMOUNT OF DEDUCTIONS from the SALARIES of the POLICE FORCE, FINES, &c., paid into the Treasury in the year ended 30th June, 1908	...	25,428 14 8
To AMOUNT TRANSFERRED from Consolidated Revenue Account—Special Appropriation—Police Regulations (Superannuation) Act 28 of 1906 (in terms of the 4th section of the Act)	...	20,000 0 0
<div style="border: 1px solid black; width: 100%; height: 100%; transform: rotate(45deg); position: relative; margin: 20px auto; width: 80%; height: 80%;"></div>		
Total ...		£ 55,626 18 6

NAMES.	PERIOD FOR WHICH DRAWN.		AMOUNT DRAWN.	TOTAL.
	From	To		
By PENSIONS PAID --			£ s. d.	£ s. d.
Inspector-General Ed. Fosbery ...	1 April, 1907	31 May, 1908	1,166 13 4	
Superintendent Robert Barry ...	"	"	466 13 4	
Superintendent M. Brennan ...	"	"	565 16 8	
Superintendent Wm. Camphin ...	"	"	466 13 4	
Superintendent G. C. Carter ...	"	"	525 0 0	
Superintendent W. C. Casey ...	"	8 Sept., 1907	176 1 9	
Superintendent S. J. Cotter ...	"	31 May, 1908	509 5 0	
Superintendent E. Grainger ...	"	"	583 6 8	
Superintendent N. Larkins ...	1 Feb., 1907	"	646 13 4	
Superintendent W. C. Lynch ...	1 April, 1907	"	379 3 4	
Superintendent R. Latimer ...	"	"	509 5 0	
Superintendent C. Sanderson ...	"	"	583 6 8	
Superintendent John Sutherland ...	19 May, 1907	"	401 10 1	
Superintendent R. F. Creaghe ...	1 April, 1907	"	565 16 8	
Inspector Robert Anderson ...	"	"	379 3 4	
Inspector Alexander Atwill ...	"	"	379 3 4	
Inspector Denis Carroll ...	"	"	379 3 4	
Inspector M. E. D. Ford ...	"	"	379 3 4	
Inspector George H. Hyem ...	"	"	379 3 4	
Inspector Joseph Jones ...	15 May., 1907	"	329 13 8	
Inspector Walter Elliscn Lenthall ...	1 April, 1907	31 Mar., 1908	325 0 0	
Inspector Isaac Morrow ...	"	31 May, 1908	379 3 4	
Inspector G. M'Dowell ...	"	"	379 3 4	
Inspector Alexander Mackay ...	"	18 Dec., 1907	232 5 4	
Inspector J. Robinson ...	"	31 May, 1908	367 15 10	
Inspector P. Smith ...	"	"	379 3 4	
Inspector James Stephenson ...	"	31 Jan., 1908	270 16 8	
Inspector Thomas Thompson ...	"	31 May, 1908	379 3 4	
Sub-Inspector J. K. Broderick ...	"	"	282 18 4	
Sub-Inspector Alexander Boyd ...	"	31 Mar., 1908	250 0 0	
Sub-Inspector Henry Bragg ...	"	31 May, 1908	282 18 4	
Sub-Inspector Miles Burns ...	"	"	291 13 4	
Sub-Inspector Daniel Byrne ...	"	"	320 16 8	
Sub-Inspector John Carroll ...	"	"	291 13 4	
Sub-Inspector James Cornett ...	"	"	291 13 4	
Sub-Inspector M. D'Arcy ...	"	"	282 18 4	
Sub-Inspector Fred. Fowler ...	"	31 Mar., 1908	275 0 0	
Sub-Inspector R. G. Francis ...	23 Jan., 1908	31 May, 1908	86 13 11	
Sub-Inspector Thomas Grieve ...	1 April, 1907	"	224 3 6	
Sub-Inspector W. T. Langworthy ...	"	"	320 16 8	
Sub-Inspector John Morris ...	"	"	282 18 4	
Sub-Inspector J. McKeague ...	"	"	291 13 4	
Sub-Inspector Thomas Parker ...	"	"	282 18 4	
Sub-Inspector A. H. Strachan ...	"	"	320 16 8	
Sub-Inspector James M. Travers ...	28 Nov., 1907	"	135 15 10	
Acting Sub-Inspector Thomas H. Webb ...	1 April, 1907	31 Mar., 1908	128 2 0	
Senior Sergeant Hugh Abercrombie ...	"	31 May, 1908	224 3 6	
Senior Sergeant Robert Bell ...	"	"	224 3 6	
Senior Sergeant Joseph Bradwell ...	"	"	224 3 6	
Senior Sergeant John Coughlin ...	18 Jan., 1908	"	72 0 5	
Senior Sergeant William Costigan ...	12 April, 1907	"	211 17 0	
Senior Sergeant John L. Dale ...	1 April, 1907	"	224 3 6	
Senior Sergeant John H. Day ...	"	"	224 3 6	
Senior Sergeant H. T. Dunn ...	"	"	167 4 10	
Senior Sergeant John P. Ewing ...	"	"	224 3 6	
Senior Sergeant Jeremiah Frewin ...	"	"	74 14 6	
Senior Sergeant Jas. Harper ...	"	"	197 9 9	
Senior Sergeant Wm. Hicks ...	"	27 Feb., 1908	174 16 6	
Senior Sergeant John Houlaban ...	"	31 May, 1908	224 3 6	
Carried forward ...	£		19,594 4 5	

PARTICULARS OF RECEIPTS.

TOTAL.

£ s. d.

Brought forward	£	55,626	18	6
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Carried forward	£	55,626	18	6
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Cr.

NAMES.	PERIOD FOR WHICH DRAWN.		AMOUNT DRAWN.		TOTAL.
	From	To	£	s. d.	
Brought forward			19,594	4 5	£ s. d.
BY PENSIONS PAID— <i>continued.</i>					
Senior Sergeant Wm. Hogan	1 April, 1907	31 May, 1908	224	3 6	
Senior Sergeant John Kenny	"	"	167	4 10	
Senior Sergeant Alexander Kennedy..	"	"	167	4 10	
Senior Sergeant Henry Kirby	"	"	224	3 6	
Senior Sergeant William Lee	"	"	167	4 10	
Senior Sergeant James McIntosh	"	"	224	3 6	
Senior Sergeant T. McClelland	"	"	224	3 6	
Senior Sergeant Wm. McManamey	"	"	224	3 6	
Senior Sergeant Michael Moylan	"	"	224	3 6	
Senior Sergeant Wm. Henry Prior	"	"	224	3 6	
Senior Sergeant H. Sharp	"	"	224	3 6	
Senior Sergeant John Wilkinson	19 Dec., 1907	"	66	0 5	
Sergeant M. Agnew	1 April, 1907	"	197	9 9	
Sergeant G. Boyd	"	"	217	9 0	
Sergeant James Brennan	"	"	170	16 0	
Sergeant F. E. Brown	"	"	197	9 9	
Sergeant J. W. Cade	"	"	197	9 9	
Sergeant Michael Carroll	"	"	197	9 9	
Sergeant John Coady... ..	"	"	217	9 0	
Sergeant R. Coveny	"	"	191	11 4	
Sergeant Gordon Dawson	"	"	197	9 9	
Sergeant Michael Fagan	"	"	197	9 9	
Sergeant H. E. Ferris	"	"	197	9 9	
Sergeant John Flaherty	"	"	197	9 9	
Sergeant Thomas Forrest	"	"	217	9 0	
Sergeant R. Gamble	"	"	197	9 9	
Sergeant Lewis Griffiths	"	"	197	9 9	
Sergeant J. Harvey	"	30 April, 1908	201	13 3	
Sergeant Michael Hanly	"	31 May, 1908	197	9 9	
Sergeant A. J. Harvison	"	"	217	9 0	
Sergeant Thomas Hickey	"	"	197	9 9	
Sergeant Myles Higgins	"	"	197	9 9	
Sergeant John Hurley	"	"	197	9 9	
Sergeant J. McCarthy	"	"	170	16 0	
Sergeant J. McElligott	"	"	170	16 0	
Sergeant J. E. Madden	"	"	170	16 0	
Sergeant John Maguire	"	"	197	9 9	
Sergeant William Martin	"	"	170	16 0	
Sergeant William Morrow	"	"	147	13 5	
Sergeant Thos. Muldoon	"	"	197	9 9	
Sergeant Thomas Mulqueeney	"	"	197	9 9	
Sergeant David Murphy	11 Dec., 1907	"	81	16 1	
Sergeant Thos. O'Brien	1 April, 1907	"	197	9 9	
Sergeant Thos. Olver	"	26 May, 1907	25	18 0	
Sergeant Wm. Parker	"	31 May, 1908	197	9 9	
Sergeant H. Preston	"	"	191	11 4	
Sergeant G. Salter	"	"	197	9 9	
Sergeant J. Shillington	"	"	170	16 0	
Sergeant T. Smith	"	"	197	9 9	
Sergeant H. Thompson	"	"	197	9 9	
Sergeant John Tysoe	"	"	197	9 9	
Sergeant David Walker	"	"	197	9 9	
Sergeant David A. Wilson	30 May, 1908	"	0	18 11	
Senior Detective M. J. Thomas	1 April, 1907	"	277	11 0	
Senior Detective William R. Clough...	9 June, 1907	"	127	6 6	
Senior Constable Thomas E. Austin...	1 April, 1907	"	85	8 0	
Senior Constable William Bracken ...	1 Mar., 1908	"	28	5 2	
Carried forward	£		29,949	6 4	

PARTICULARS OF RECEIPTS.				TOTAL.
			£	£ s. d.
Brought forward	...	...	£	55,626 18 6
<div style="position: absolute; top: 0; right: 0; width: 100%; height: 100%; border-left: 1px solid black; border-bottom: 1px solid black;"></div>				
Carried forward	...	...	£	55,626 18 6

NAMES.	PERIOD FOR WHICH DRAWN.		AMOUNT DRAWN.	TOTAL.
	From	To		
Brought forward ... £	.....	.....	£ s. d. 29,949 6 4	£ s. d.
BY PENSIONS PAID—continued.				
Senior Constable Henry Bassmann ...	1 April, 1907	30 April, 1908	118 16 0	
Senior Constable G. H. Billson ...	"	31 May, 1908	82 16 7	
Senior Constable John Brennan ...	"	"	113 17 4	
Senior Constable James Campbell ...	"	"	85 8 0	
Senior Constable Charles Chappel ...	"	"	170 16 0	
Senior Constable Michael Colgan ...	"	"	170 16 0	
Senior Constable Thomas Condran ...	"	"	170 16 0	
Senior Constable T. Daley ...	"	"	160 2 6	
Senior Constable George F. Davis ...	"	"	170 16 0	
Senior Constable Caleb Dean ...	"	"	170 16 0	
Senior Constable John Dobbs ...	"	"	170 16 0	
Senior Constable Edward Dowling ...	"	"	170 16 0	
Senior Constable Henry Finlay ...	"	"	80 1 3	
Senior Constable J. T. Fletcher ...	"	"	165 13 7	
Senior Constable William Gee ...	2 May, 1907	"	115 4 7	
Senior Constable Edward Gallagher...	1 Nov., 1907	"	87 16 1	
Senior Constable William C. Graham	1 Feb., 1908	"	47 15 7	
Senior Constable Robert Gracey ...	1 April, 1907	"	170 16 0	
Senior Constable Thomas Grice ...	"	"	170 16 0	
Senior Constable James Hassard ...	"	"	128 2 0	
Senior Constable Richard Henry Jordan ...	"	"	170 16 0	
Senior Constable Robt. G. Jamieson...	3 May, 1908	"	11 19 1	
Senior Constable Montgomery Jones	1 April, 1907	"	170 16 0	
Senior Constable Robert Kennedy ...	"	28 Feb., 1908	83 15 0	
Senior Constable John Loughlin ...	"	31 May, 1908	170 16 0	
Senior Constable Michael Loughane	"	"	170 16 0	
Senior Constable John McColl ...	"	"	128 2 0	
Senior Constable John McKenzie ...	"	"	170 16 0	
Senior Constable Bernard McKeon ...	"	"	170 16 0	
Senior Constable John McNeely ...	"	"	170 16 0	
Senior Constable John Mara...	"	"	128 2 0	
Senior Constable W. Matthews ...	"	"	170 16 0	
Senior Constable John Meara ...	"	"	170 16 0	
Senior Constable Donald Miller ...	"	"	170 16 0	
Senior Constable James Noonan ...	"	8 Feb., 1908	117 15 0	
Senior Constable P. O'Reilly...	"	31 May, 1908	170 16 0	
Senior Constable J. R. O'Leary ...	"	"	165 13 7	
Senior Constable H. Parr ...	"	"	170 16 0	
Senior Constable Charles Pearson ...	"	"	170 16 0	
Senior Constable Simon Pritzler ...	"	"	170 16 0	
Senior Constable J. Roberts ...	"	"	170 16 0	
Senior Constable Patrick Ryan ...	"	"	170 16 0	
Senior Constable A. H. Sandry ...	"	31 Mar., 1908	97 12 0	
Senior Constable Owen Shanaghan ...	"	31 May, 1908	170 16 0	
Senior Constable James Shearer ...	"	"	170 16 0	
Senior Constable Wm. Sinclair ...	"	"	170 16 0	
Senior Constable Thomas S. Slack ...	"	28 Nov., 1907	96 16 0	
Senior Constable C. Steel ...	"	31 May, 1908	170 16 0	
Senior Constable Frederick Sutton ...	"	"	170 16 0	
Senior Constable James Treacy ...	"	"	170 16 0	
Senior Constable Charles Walmsley...	"	"	80 1 3	
Senior Constable Lewis F. Ward ...	"	"	128 2 0	
Senior Constable G. Wells ...	"	"	170 16 0	
Senior Constable George Young ...	"	"	170 16 0	
Constable John F. Alford ...	"	"	106 15 0	
Constable Wm. Beatty ...	"	"	160 2 6	
Constable William Board ...	"	"	160 2 6	
Constable Joseph Boyan ...	"	"	160 2 6	
Constable Thomas Burrell ...	31 Mar., 1908	"	18 0 10	
Carried forward ... £	.....	.....	38,414 9 1	

POLICE SUPERANNUATION

Dr.

ACCOUNT CURRENT of RECEIPTS and DISBURSEMENTS

[illegible]

AND REWARD FUND.

in the year ended 30th June, 1908—*continued.*

Cr.

NAMES.	PERIOD FOR WHICH DRAWN.		AMOUNT DRAWN.	TOTAL.
	From	To		
Brought forward...	£	.....	38,414 9 1	£ s. d.
By PENSIONS PAID— <i>continued.</i>				
Constable James Brassington ...	1 April, 1907	31 May, 1908	160 2 6	
Constable Wm. Bressington ...	"	"	160 2 6	
Constable John Caban ...	"	27 April, 1907	10 2 6	
Constable James Christison ...	"	31 May, 1908	80 1 3	
Constable C. H. Curll ...	"	"	106 15 0	
Constable Nicholas Daly ...	"	31 Mar., 1908	137 5 0	
Constable George Dearden ...	"	31 May, 1908	103 3 10	
Constable James Delaney ...	"	"	160 2 6	
Constable James Dillon ...	"	"	106 15 0	
Constable John Dundas ...	"	"	116 9 7	
Constable George Eggins ...	"	"	119 4 1	
Constable Francis Eglington...	"	"	160 2 6	
Constable Thos. Flynn ...	"	"	160 2 6	
Constable Michael H. Fox ...	"	"	160 2 6	
Constable Thomas Franklin ...	"	"	106 15 0	
Constable E. W. Gess ...	"	"	103 10 10	
Constable Michael Gallagher ...	"	"	160 2 6	
Constable S. Glanville ...	"	"	124 5 0	
Constable Thomas A. Harricks ...	"	"	160 2 6	
Constable William Hatherley ...	"	"	116 9 7	
Constable Patrick Healey ...	"	"	160 2 6	
Constable John Henery ...	"	1 Mar., 1908	88 4 0	
Constable John J. Heffernan ...	1 May, 1908	31 May, 1908	3 18 3	
Constable J. A. Jeacocke ...	1 April, 1907	"	160 2 6	
Constable William Johnston...	"	"	160 2 6	
Constable Myles King ...	"	31 Mar., 1908	68 12 6	
Constable John Lawler ...	"	11 April, 1908	105 4 11	
Constable George Lesmond ...	"	31 May, 1908	160 2 6	
Constable Richard Lisson ...	"	"	149 9 0	
Constable Thomas Lyons ...	"	"	74 14 6	
Constable E. A. Makeig ...	"	"	155 6 5	
Constable Thomas Moloney ...	"	"	160 2 6	
Constable James McGillion ...	"	31 Mar., 1908	137 5 0	
Constable John McLeod ...	"	31 May, 1908	160 2 6	
Constable John McLoughlin...	"	"	160 2 6	
Constable James McMahon ...	"	"	119 4 1	
Constable John Joseph McSweeney ...	"	"	80 1 3	
Constable Alex. Mackay ...	"	"	106 15 0	
Constable Samuel J. May ...	"	31 Dec., 1907	68 15 0	
Constable Michael Moran ...	"	31 May, 1908	160 2 6	
Constable Patrick Moran ...	"	"	149 9 0	
Constable John Moloney ...	"	"	119 4 1	
Constable Charles Murphy ...	"	22 July, 1907	42 7 6	
Constable William Martin ...	1 Oct., 1907	31 May, 1908	71 0 0	
Constable William Masters ...	1 Jan., 1908	"	21 7 5	
Constable William McGuigan ...	1 Mar., 1908	"	15 14 11	
Constable John Nevin ...	1 April, 1907	"	160 2 6	
Constable Patrick O'Brien ...	"	"	160 2 6	
Constable Nestor Olsen ...	1 Mar., 1908	"	21 13 10	
Constable Wm. J. Orr ...	1 April, 1907	"	80 1 3	
Constable William F. Osborn ...	"	"	160 2 6	
Constable George Payne ...	"	31 Mar., 1908	64 1 0	
Constable David Prentice ...	28 Nov., 1907	31 May, 1908	48 2 1	
Constable Alexander Pirie ...	1 April, 1907	"	119 4 1	
Constable T. Quinn ...	"	"	160 2 6	
Constable Oliver Rea...	"	31 Mar., 1908	36 12 0	
Constable John Robson ...	"	31 May, 1908	160 2 6	
Constable Wm. Russell ...	"	"	77 13 2	
Constable James Rutledge ...	"	"	160 2 6	
Constable Henry A. Slater ...	"	"	87 10 0	
Constable Edward Smith ...	"	"	149 9 0	
Constable Roger Sparkes ...	"	"	160 2 6	
Constable Martin Stone ...	4 April, 1907	"	154 4 7	
Constable James H. Sinclair...	9 Sept., 1907	"	46 5 6	
Carried forward ...	£	.....	45,789 12 7	

POLICE SUPERANNUATION

Dr.

ACCOUNT CURRENT of RECEIPTS and DISBURSEMENTS

PARTICULARS OF RECEIPTS.	TOTAL.
	£ s. d.
Brought forward	£ 55,626 18 6
Total	£ 55,626 18 6

The Treasury, New South Wales,
Sydney, 28th July, 1908.C. G. L. BOYCE,
Comptroller of Accounts.

AND REWARD FUND.

in the year ended 30th June, 1908—continued.

Cr.

NAMES.	PERIOD FOR WHICH DRAWN.		AMOUNT DRAWN.	TOTAL.
	From	To		
Brought forward			£ s. d. 45,789 12 7	£ s. d.
By PENSIONS PAID—continued.				
Constable Robert Stapleton	1 April, 1907	31 May, 1908	160 2 6	
Constable W. Stapleton	"	"	116 9 7	
Constable Ernest Stüve	"	"	149 9 0	
Constable James J. Sullivan	"	31 Mar., 1908	102 3 6	
Constable John Timbs	"	31 May, 1908	160 2 6	
Constable James Thompson	"	31 Mar., 1908	54 18 0	
Constable Mordecai Wilson	1 Nov., 1907	31 May, 1908	52 19 9	
Elizabeth Bremner, widow of Inspec- tor James Bremner	1 April, 1907	31 May, 1908	233 6 8	
Margaret Beatty, widow of the late Sergeant James Beatty	"	"	87 10 0	
Margaretta Casey, widow of the late Superintendent H. C. Casey	9 Sept., 1907	"	78 8 6	
Annie Guilfoyle, widow of the late Constable Guilfoyle	1 April, 1907	"	116 13 4	
Bridget Grundy, widow of the late Constable Wm. F. Grundy	"	"	46 13 4	
Mary L. Gilholm, widow of late First- class Constable Joseph William Gilholm	"	"	58 6 8	
Annie Justin, widow of the late Constable Wm. Justin	"	"	58 6 8	
Alice M. May, widow of the late Constable S. J. May	1 Mar., 1908	"	23 7 6	
Caroline Barbara Murrow, widow of late Senior Constable Henry Murrow	1 April, 1907	"	116 13 4	
Eliza Murdock, widow of late Senior Constable James G. Murdock	"	"	81 13 4	
Clara L. McGuffie, widow of the late Sergeant John McGuffie	"	"	70 0 0	
Emily McGillion, widow of the late Constable James McGillion	1 May, 1908	"	13 13 4	
Elizabeth Nelson, widow of the late Constable Samuel Nelson	1 April, 1907	"	40 0 0	
Lilly G. Olver, widow of the late Sergeant T. Olver	27 May, 1907	"	111 8 2	
Elizabeth F. Pearce, widow of the late Constable Wm. Henry Pearce	1 April, 1907	30 April, 1908	73 13 4	
Frances Wallace, widow of the late Constable John Wallace	"	31 May, 1908	116 13 4	
				47,912 4 11
By AMOUNTS PAID AS GRATUITIES on leaving the Police Force:—				
Constable Seymour H. Mowbray			189 18 0	
Constable Norman Z. Quinan			39 18 0	
Constable E. W. Armstrong			18 18 0	
Constable Andrew Robbie			18 18 0	
Nellie Mackie, widow of the late Constable J. R. Mackie			225 0 0	
Ida M. Parkinson, widow of the late Sub-Inspector Louis Parkinson			416 13 4	
Annie M. Shankleton, widow of the late Sub-Inspector Joseph Shankleton			416 13 4	
Eva Sawtell, widow of the late Sergeant A. C. Sawtell			292 10 0	
Mary Scott, widow of the late Senior Sergeant A. W. Scott			330 0 0	
Louisa W. Tucker, widow of the late Senior Constable Giles Tucker			255 0 0	
Alice A. Draper, widow of the late Constable A. H. Draper			240 0 0	
Florence Summerfield, widow of the late Constable Edward Summerfield			52 10 0	
				2,495 18 8
By MISCELLANEOUS PAYMENTS:—				
Gratuities for assisting the Police			204 0 0	
Transferred to Consolidated Revenue Fund—amounts credited in error to this Fund			83 1 9	
Refund of Fines			96 1 5	
Funeral expenses of deceased constables			62 0 0	
Medical Fees			23 2 0	
				468 5 2
TOTAL PAYMENTS				50,876 8 9
By BALANCE, 30th June, 1908				* 4,750 9 9
TOTAL			£	55,626 18 6

* See page 51.

T. WADDELL,
Treasurer.

No. 5.

SPECIAL ACCOUNTS.

STATEMENT of RECEIPTS and PAYMENTS in the Year ended 30th June, 1908.

ACCOUNTS.	BALANCES ON 30TH JUNE, 1907.	RECEIPTS IN THE YEAR ENDED 30TH JUNE, 1908.	TOTAL.	PAYMENTS IN THE YEAR ENDED 30TH JUNE, 1908.	BALANCES ON 30TH JUNE, 1908.
Colonial Treasurer's—	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Master in Equity Account	46,047 10 8	147,671 12 0	193,719 2 8	122,544 17 2	71,174 5 6
Master in Lunacy Account	25,949 8 4	67,369 2 10	93,318 11 2	71,927 15 1	21,390 16 1
Curator of Intestate Estates Account	98,247 16 9	53,223 10 5	151,471 7 2	61,105 15 11	90,365 11 3
Prothonotary Account	1,243 2 8	4,741 1 1	5,984 3 9	4,533 2 1	1,451 1 8
Registrar in Bankruptcy Account	601 2 0	1 11 9	602 13 9	602 13 9	.....
Registrar of Probates Account	49,935 7 0	6,660 15 11	56,596 2 11	9,412 16 7	47,183 6 4
TOTALS... ..	£ 222,024 7 5	279,667 14 0	501,692 1 5	270,127 0 7	*231,565 0 10

* See page 124.

The Treasury, New South Wales,
Sydney, 28th July, 1908

C. G. L. BOYCE,
Comptroller of Accounts.

T. WADDELL,
Treasurer.

No. 6.

THE CLOSER SETTLEMENT ACCOUNT.

ACCOUNT CURRENT

OF

RECEIPTS AND DISBURSEMENTS

IN THE YEAR ENDED

30TH JUNE, 1908.

CLOSER SETTLE

ACCOUNT CURRENT of RECEIPTS and

Dr.

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
To Receipts:—	£ s. d.	£ s. d.
Fees under Real Property Act...		10,357 2 8
Transfer from Consolidated Revenue Fund—Grant in aid...		200,000 0 0
„ Receipts under Closer Settlement Acts—		
On account of Myall Creek Settlement...	6,861 16 0	
Do Gobbagombalin Settlement	116 11 0	
		6,978 7 0
„ Repayments to Cr. Closer Settlement Vote, 1906-7—		
On account of Marrar Settlement		4 14 10
Total ...		
To Balance on 30th June, 1907, brought forward ...		
TOTAL ...		

The Treasury, New South Wales,
Sydney, 28th July, 1908.

C. G. L. BOYCE,
Comptroller of Accounts.

MENT ACCOUNT.

DISBURSEMENTS in the Year ended 30th June, 1908.

Cr.

PARTICULARS OF DISBURSEMENTS.	AMOUNT.	TOTAL.
By Payments:—	£ s. d.	£ s. d.
Under Real Property Act	72 19 0	
Contingent Expenses in connection with the acquisition of Land for the purposes of Closer Settlement (Gobbagombalin Settlement)	261 9 4	
Cost of subdivision, &c., in connection with Lands acquired (Section 7, Subsection 1)	30 3 8	
Recoup to the Consolidated Revenue Fund of Interest charged on Loan raised (Section 7, Subsection 2)	5,228 0 0	
		5,592 12 0
Total ...		
By Balance on 30th June, 1908—carried forward		
TOTAL ...		

* See page 124.

T. WADDELL,
Treasurer.

I HEREBY certify that the above Account represents the actual receipts and expenditure of the Treasurer on account of the Closer Settlement Account during the year ended 30th June 1908, and in accordance with the requirements of the Audit Act, 1902, Section 58.

Given under my hand, this first day of September, 1908.

JOHN VERNON,
Auditor-General.

No. 7.

THE PUBLIC WORKS ACCOUNT.

ACCOUNT CURRENT

OF

RECEIPTS AND DISBURSEMENTS

IN THE

YEAR ENDED 30TH JUNE, 1908.

PUBLIC WORKS

ACCOUNT CURRENT of RECEIPTS and

Dr.

PARTICULARS OF RECEIPTS.	TOTAL.	
	£	s. d.
To Repayments to Credit of undermentioned Votes, viz. :—		
Carried forward	£	

ACCOUNT.

DISBURSEMENTS in the Year ended 30th June, 1908.

Cr.

PARTICULARS OF DISBURSEMENTS.	AMOUNT.		TOTAL.	
	£	s. d.	£	s. d.
By Payments on account of the undermentioned Services, viz. :—				
Colonial Secretary—				
Fire Brigades—Towards Purchase of Sites and Erection of Branch Country and Suburban Stations—further sum			10,232	0 3
Hospitals—				
Country and Suburban Hospitals—Grants under the provisions of Public Works and Closer Settlement Funds Acts, 1906	15,707	7 6		
Metropolitan Hospitals—Grants under the provisions of Public Works and Closer Settlement Funds Act	3,000	0 0	18,707	7 6
Miscellaneous Services—				
Royal Naval House—Extension of Premises	2,998	13 10		
Centennial Park—Formation and Improvement of Roads	1,388	8 0		
Lord Howe Island—Office and Residential Accommodation for Visiting Magistrate	164	1 6		
Purchase of Oil Launch for Fisheries Department	360	0 0		
Trout Hatchery at Kosciusko	128	0 3		
Purchase of Land at Newington for Asylum, including costs	924	19 0		
Purchase of "Cranbrook"—Residence for State Governor	22,500	0 0	28,464	2 7
Treasurer—				
Government Printing Office—Purchase of extra Machinery and Plant			5,914	18 1
Explosives—Public Magazine Establishments, Sydney and Newcastle—Resumption of Land at Middle Harbour for Magazine Reserve; cost of improved system of Lightning Conductors and Fire Service, Magazine, Middle Harbour; and additions and improvements to and removal of Public Magazine from Fern Bay to Fullerton Cove, Port Hunter			2,554	1 2
Resumed Properties Branch—				
Erection of Houses, Windmill-street, Observatory Hill—further sum	3,186	12 11		
Erection of Houses, Upper Fort-street	7,823	0 0		
New Retaining Wall, Argyle-street	982	16 9		
Erection of Shops, George-street	1,506	8 0	13,498	17 8
Navigation—				
Erection of new Waiting-room, Newcastle, for Pilots			225	0 0
Lifeboats—New Lifeboat for Sydney, and Accommodation			940	0 0
Miscellaneous Services—Construction of Promenade, Newcastle Sea-front			1,000	0 0
Railways and Tramways—				
Railways—				
Rolling Stock to meet additional traffic requirements	5,842	12 1		
Additions to Railway Lines, Buildings, and for other purposes	410	13 8	6,253	5 9
Tramways—				
Additions to Lines, Workshops, and Buildings, Duplication of Lines, Wood-blocking, and for other purposes			12,708	14 11
Secretary for Lands—				
For making Roads of Access to Crown and Closer Settlement Lands—further sum			808	3 4
Miscellaneous Services—				
Compensation in connection with the resumption of Lands for Roads under the Public Roads Act of 1902	2,204	15 8		
Purchase of Land, Forsyth-street, Glebe, for wharfage purposes	560	0 0		
Towards the purchase, acquisition, resumption of Sites for Public Parks and for other purposes	16,689	15 5		
For the purchase of Wire-netting, &c., under Sec. 30 of Act 111, of 1902	40,339	16 7		
Pilliga Scrub—Surveys, inspections, reports, valuations, clearing, and otherwise improving land, and all expenses incidental thereto, for the purpose of rendering it available for settlement	6,265	1 5	66,059	9 1
Carried forward	£		167,366	0 4

PUBLIC WORKS

Dr.

ACCOUNT CURRENT of RECEIPTS and

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
To Repayments to credit of undermentioned Votes, viz. :—		
Brought forward		
Public Works—		
For construction of Works generally—		
Bridges (as per Schedule)...	199 19 8	
Public Watering Places, Artesian Bores, Water Conservation, Water Supplies, and Drainage (as per Schedule) ...	23 4 8	
Barren Jack Storage Reservoir and Northern Murrumbidgee Irrigation Scheme—further sum ...	7,315 12 7	
Harbours and Rivers—Dredge Service in connection with Permanent Improvements of Harbours and Rivers (as per Schedule) ...	2,277 2 5	
Public Buildings (as per Schedule) ...	4,130 3 9	
Dock Establishments ...	0 9 6	
Metropolitan Board of Water Supply and Sewerage—		
Water Supply—		
Extension and Improvement of General Reticulation, purchase of Water Meters, Reservoirs at Randwick, additional Pumps, Buildings, Land, Surveys, Renewal of Mains, Machinery and Buildings, and Minor Works	208 17 8	
Public Instruction—		
School Buildings, Teachers' Residences, Additions, and Sites, Equipment, Renewals and Improvements of Schools and Residences, and Material—further sum ...	10 5 9	14,165 16 0
To RECEIPTS :—		
Transfer from Consolidated Revenue Fund—Two-thirds net proceeds of Sale of Crown Lands in 1906–7—exclusive of interest—less 20 per cent., under Act No. 9, 1906 (see page 29) ...	408,408 18 6	
Transfer from Consolidated Revenue Fund—Two-thirds net proceeds of Sale of Crown Lands in 1907–8 (to 25th June, 1908)—exclusive of interest—less 20 per cent., under Act No. 9, 1906 (see page 29) ...	346,070 0 0	
Transfer from Consolidated Revenue Fund—Grant in aid (see page 29) ...	650,000 0 0	
Net proceeds of Sale of Land, under Section 4, Public Instruction Act of 1880 ...	241 14 6	1,404,720 13 0
In adjustment of Vote, Advance to Treasurer, 1906–7 ...		£ 1,418,886 9 0 6,080 19 9
To Balance 30th June, 1907, brought forward ...		£ 1,424,967 8 9 292,624 6 6
TOTAL ...		£ 1,717,591 15 3

The Treasury, New South Wales,
Sydney, 28th July, 1908.C. G. L. BOYCE,
Comptroller of Accounts.T. WADDELL,
Treasurer.

ACCOUNT.

DISBURSEMENTS in the Year ended 30th June, 1908—continued.

Cr.

PARTICULARS OF DISBURSEMENTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
By Payments on account of the undermentioned Services, viz. :—		
Brought forward ...		167,366 0 4
Public Works—		
For construction of Works generally—		
Roads (as per Schedule, see page 74) ...	25,881 6 1	
Bridges (as per Schedule, see page 75) ...	33,223 6 5	
Punts, Ferries, and Launches ...	3 15 7	
Public Watering Places, Artesian Bores, Water Conservation, Water Supplies and Drainage (as per Schedule, see page 76) ...	14,945 5 9	
Barren Jack Storage Reservoir and Northern Murrumbidgee Irrigation Scheme—further sum ...	160,315 18 0	
Harbours and Rivers—Dredge Service in connection with Permanent Improvements of Harbours and Rivers (as per Schedule, see page 77) ...	101,083 7 5	
Public Buildings (as per Schedule, see page 78) ...	177,596 4 11	
Dock Establishment ...	4,597 3 5	
Railways and Tramways ...	4,679 16 3	
Hawkesbury Agricultural College Water Supply ...	182 3 1	
New Public Abattoir at Homebush Point—further sum ...	9,864 10 0	532,372 16 11
Sewerage Construction—		
Parramatta Sewerage—further sum ...	14,132 6 6	
Country Towns Sewerage and Storm-water Channels generally—further sum	2,961 4 6	
Goulburn Sewerage ...	126 15 7	
Wagga Wagga Sewerage ...	47 9 10	
Rookwood Storm-water Channel ...	1,652 6 0	18,920 2 5
Country Towns Water Supply—further sum ...		44,603 16 11
Metropolitan Board of Water Supply and Sewerage—		
Water Supply—		
Extension and Improvement of General Reticulation, purchase of Water Meters, Reservoirs at Randwick, additional Pumps, Buildings, Land, Surveys, Renewal of Mains, Machinery, and Buildings, and Minor Works	4,595 17 7	
Lining and Strengthening Upper Canal, Renewal of Pumps, Buildings, Water Mains and Sewers, Machinery, and Minor Works generally; also to recoup to Loan Vote, Machinery worn out or displaced ...	8,203 7 11	12,799 5 6
Sewerage—		
Construction and Ventilation of Reticulation Sewers generally—City, Northern, Eastern, and Western Suburbs, Lands, Pumps, Relief Sewers, Surveys, and Minor Works generally—Renewal of Sewers, Machinery, and Buildings ...		2,510 3 5
Hunter District Water and Sewerage Board—		
To enable the Board to carry out sewerage connections on the Deferred Payment System (Re-vote) ...		4,000 0 0
Grant under Section 5 of Public Works Fund Act to Shires and Municipalities, being part (second instalment) of £150,000 promised for first three years of operation of Local Government Acts ...		78,085 13 11
Public Instruction—		
School Buildings, Teachers' Residences, Additions, and Sites, Equipment, Renewals and Improvements of Schools and Residences, and Material—further sum ...	81,347 2 10	
Technical Education—		
For providing Buildings and Equipment, and for Alterations and Improvements to Existing Buildings ...	7,788 7 2	
Miscellaneous Services—Equipment and Minor Works (as per Schedule, see page 80) ...	4,841 12 2	93,977 2 2
Mines and Agriculture—		
Mines—		
Compensation for Land resumed for Mining Purposes ...	540 9 9	
Agriculture—		
For the Promotion of Agriculture, Agricultural Colleges, &c.—further sum ...	11,643 1 4	12,183 11 1
In adjustment of Vote, Advance to Treasurer, 1906–7 ...		£ 966,818 12 8 6,080 19 9
By Balance on 30th June, 1908, carried forward ...		£ 972,899 12 5 *744,692 2 10
TOTAL ...		£ 1,717,591 15 3

* See p. 124.

I HEREBY certify that the above Account represents the actual receipts and expenditure of the Treasurer on Account of the Public Works Account during the year ended 30th June, 1908, and is in accordance with the requirements of the Audit Act, 1902, Section 58.

Given under my hand, this first day of September, 1908.

JOHN VERNON,

Auditor-General.

Public Works Account.

ROADS—SCHEDULE.

DETAIL Statement of Expenditure (supplied by the Department of Public Works) during the Year ended 30th June, 1908.

VOTE OR WORK.	AMOUNT.
	£ s. d.
Jindabyne to Mount Kosciusko, including Bridge over Thredbo River	20,889 4 11
Roads of access to Closer Settlement Areas—Crown Lands ...	3,179 3 3
Scone to Barry—Tulloch's Deviation—further sum	1,283 17 11
Koreelah, <i>via</i> Little Plain, and Tooloom to Woodenbong	529 0 0
Total... ..	£ *25,881 6 1

*See page 73.

Public Works Account.

BRIDGES—SCHEDULE.

DETAIL Statement of Expenditure (supplied by the Department of Public Works) during the year ended 30th June, 1908.

VOTE OR WORK.	AMOUNT.		
	£	s.	d.
Billabong Creek, at Culcairn ...	28	8	0
Tom's Gully ...	605	0	0
North Creek ...	255	14	6
Big Oak Creek ...	30	8	6
Timbillica River ...	330	0	0
Stephen's Creek ...	2	8	8
Quarry Lagoon ...	112	12	8
Richmond River, Road Risk up Ford's Creek ...	6	6	0
Eden Creek ...	100	0	0
Warrana Creek ...	3	3	0
Castlereagh River, at Gulargambone...	1,308	5	10
Nedgera Creek...	2	9	0
Belubula River, at Junction Reefs ...	37	7	5
Macquarie River, at Narromine ...	324	14	0
MacIntyre River, at Tingha Crossing ...	403	2	0
Fraser's Creek, at Ashford ...	315	0	0
Cope's Creek ...	314	3	8
Rocky Creek ...	480	0	0
Oyster Channel, at Yamba, towards ...	605	0	3
Broadwater Creek ...	546	9	0
Upper Coldstream River, towards ...	1,985	17	1
Gwydir River, at Pallamallawa, towards ...	2,959	18	6
Chinbible Creek ...	441	6	3
Smith's Creek ...	459	9	8
Wilson's Creek...	614	4	8
Glen Creek—Road Scone to Barry ...	190	10	11
Hunter River, at Dunolly Ford—land ...	37	0	2
Brickie Creek, Killingworth ...	91	12	10
Chinaman Creek ...	52	9	7
Stoney Creek, Toronto ...	783	10	1
Peel River, at Moore ...	917	19	3
Manilla River, at Manilla ...	1,135	2	4
Bobo River, Road Killawarra Bridge to Gloucester...	228	2	3
Tooloom Creek...	459	15	8
Murray River, at Howlong—Moiety of cost ...	1,786	0	9
Leycester Creek, at Lismore ...	4,234	15	11
Muddy Creek—Skidmore Bridge, towards ...	2,273	8	3
Lake Macquarie, at Swansea, towards ...	27	19	4
Cattai Creek ...	103	6	0
Barnes' Gully and Goonoo Goonoo Creek ...	618	10	7
Stewart's River—Crossingham's Bridge ...	105	12	4
Dingo Creek, at Belbournie ...	594	10	4
Myall Creek ...	1,024	5	7
Lachlan River, at Warroo ...	3	6	8
Fawcett's Creek ...	15	1	7
Page's River, at Gundy ...	72	0	7
Approach to Merimbula Jetty ...	0	16	8
Roper's Creek ...	200	0	0
Bogan River, at Marrar Crossing ...	0	14	0
Irving Bridge, Casino ...	2,425	6	1
Cope's Creek, at Tingha ...	766	4	9
Hunter River, South Arm, at Ash Island ...	16	1	9
Wollstonecroft Bridge ...	100	0	0
Nepean River, at Penrith ...	685	10	5
Macleay River, at Toorooka ...	4	19	10
Apsley River, at Walcha ...	6	1	6
Minor Works and other Bridges ...	1,991	1	9
TOTAL ...	£	*33,223	6 5

Public Works Account—continued.

PUBLIC WATERING PLACES, ARTESIAN BORES, &c.— SCHEDULE.

DETAIL Statement of Expenditure (supplied by the Department of Public Works) during the year ended 30th June, 1908.

VOTE OR WORK.										AMOUNT.		
										£	s.	d.
Surveys...	...	...	...	...	...	...	...	...	...	7,012	4	5
Minor Works	...	...	...	...	...	...	...	...	...	6,590	3	1
Hunthawang Weir—Re-erection of Weir—further sum	...	...								26	7	2
Artesian Area—Survey of intake beds	...	...	...	...						376	11	2
Pilliga Scrub—Experimental Bores—further sum	...	...	...							18	10	11
Ballina Drainage—Reduction of Capital Account	...	...	...							431	0	0
Lake Albert Regulator	...	...	...	...	...	...				10	1	6
Waverley Storm-water Drainage	...	...	...	...	...	...				38	3	1
Pilliga Scrub—Shallow Bores	...	...	...	...	...	...				442	4	5
TOTAL										*14,945	5	9

Public Works Account—*continued.*

HARBOURS AND RIVERS AND DREDGE SERVICE— SCHEDULE.

DETAIL Statement of Expenditure (supplied by the Department of
Public Works) during the year ended 30th June, 1908.

VOTE OR WORK.	AMOUNT.
	£ s. d.
Dredge Service	35,929 6 7
Towards New Dredging Plant and Punts	6,268 11 4
Works generally	1,224 11 1
Tweed River Wharf at Stott's Creek	9 6 1
Coastal Survey and Survey of Port Stephens	1,103 9 6
Snagging Coastal Rivers	259 13 5
Woolgoolga—New Crane and Minor Works	111 9 0
Richmond River Improvements—further sum	8,888 19 7
" Wharf at East Coraki	193 18 0
" North Creek Training Wall	72 7 9
" Oakley Creek Wharf Extension	384 19 4
Coff's Harbour—Sheds and Crane	444 0 4
Clarence River, Drainage of Duck Ponds, Woodford Island	254 18 0
Manning River—Transfer of Cranes—to adjust accounts	2,161 0 0
" Improvements	0 16 0
" Cundle Dock Extension—further sum	291 9 0
Newcastle Harbour—Removal of Rocks—further sum	1,924 16 9
" Breakwater	3,563 13 7
" Mooring Accommodation	2,052 13 6
" Ballast Jetties	1,667 7 11
" Newcastle and Hunter River Wharf	2,865 0 7
" Alterations No. 1 Ballast Jetty	708 15 7
" Reclamation Walls	373 14 11
" Workshops	831 12 7
" Sand-drift Reclamation	134 6 0
" Ballast Appliances	228 10 6
Hunter River Wharf at Ash Island	98 6 2
" " Raymond Terrace	400 0 0
Hawkesbury River—Brooklyn Reclamation	184 13 9
Merewether Beach—Bathing Shed	50 0 0
Sydney Harbour—Newington Asylum—protection of Bank	306 12 0
" Long Cove Canal—removal of Silt	1,511 3 10
Lake Macquarie—Wharf at Toronto	470 13 4
Botany Bay and Tributaries—Improvements—further sum	7,741 9 0
Botany Bay—Cook's River, Shea's Creek, and George's River	3,503 4 2
" Sand-drift Improvements	200 0 0
Wollongong	98 5 7
Kiama Harbour—Sea Wall and Reclamation	827 8 11
Moruya River Improvements—towards	1,365 11 4
Port Kembla Harbour Improvements	10,885 8 10
Tathra Wharf—New Shed	111 18 6
Port Kembla Jetty for proposed Smelting Works	1,063 14 11
Merimbula Wharf—Sea Wall and Shed	899 13 6
In Adjustment of Advances	68 5 0
	£ 101,735 15 9
Less Repayments, 1906-7 Advance	652 8 4
TOTAL	£ *101,083 7 5

* See page 73.

Public Works Account—continued.

PUBLIC BUILDINGS—SCHEDULE.

DETAIL Statement of Expenditure (supplied by the Department of Public Works) during the year ended 30th June, 1908.

VOTE OR WORK.							AMOUNT.		
							£	s.	d.
POLICE BUILDINGS—									
Adelong—Erection	...	...	...	...	...	...	306	0	0
Albion Park—Erection	...	...	...	...	...	...	1,639	12	6
Annandale—Erection	...	...	...	...	...	...	406	6	11
Barmedman—Additions	...	...	...	...	...	...	190	7	6
Bathurst—Erection	...	...	...	...	...	...	14	5	4
Bermagui—Erection	...	...	...	...	...	...	896	3	3
Bimbi—Erection	...	...	...	...	...	...	4	17	6
Cathcart—Erection	...	...	...	...	...	...	350	3	8
Cobar—Additions	...	...	...	...	...	...	993	16	2
Concord—Erection	...	...	...	...	...	...	151	13	2
Curlewis—Erection	...	...	...	...	...	...	711	2	1
Emu Plains—Erection	...	...	...	...	...	...	583	5	6
Glen Innes—Additions	...	...	...	...	...	...	338	7	8
Garah—Erection	...	...	...	...	...	...	387	10	0
Geurie—Erection	...	...	...	...	...	...	784	0	0
Glenrock—Erection	...	...	...	...	...	...	2	0	0
Gongolgon—Erection	...	...	...	...	...	...	895	11	9
Goulburn—Erection	...	...	...	...	...	...	4	4	0
Grong Grong—Erection	...	...	...	...	...	...	8	18	2
Hay—Erection	...	...	...	...	...	...	4	12	1
Henty—Erection	...	...	...	...	...	...	1,669	12	0
Honeysuckle Point—Erection	...	...	...	...	...	...	5	10	0
Hunter's Hill—Erection	...	...	...	...	...	...	711	10	0
Kyogle—Erection	...	...	...	...	...	...	1,481	9	0
Mullumbimby—Erection	...	...	...	...	...	...	1,594	8	3
Petersham—Additions	...	...	...	...	...	...	303	0	0
Raymond Terrace—Erection	...	...	...	...	...	...	600	0	0
Redfern Police Barracks—further sum	...	...	...	...	...	...	6,511	3	8
Temora—Erection	...	...	...	...	...	...	3	4	0
Warialda—Erection	...	...	...	...	...	...	195	10	6
Wallendbeen—Erection	...	...	...	...	...	...	946	15	5
Wanaaring—Erection	...	...	...	...	...	...	2	10	0
Wellington—Erection	...	...	...	...	...	...	221	15	2
Woolabra—Erection	...	...	...	...	...	...	1,295	14	1
Minor Works—Erections, Additions, and Renewals	...	...	...	...	...	...	1,979	1	2
COURT-HOUSES—									
Acacia Creek—Erection	...	...	...	...	...	...	1	12	0
Aberdeen—Erection	...	...	...	...	...	...	930	0	9
Armidale—Erection of Keeper's Quarters	...	...	...	...	...	...	64	11	1
Barraba—Erection	...	...	...	...	...	...	405	10	0
Burwood—Erection	...	...	...	...	...	...	122	1	2
Cooma—Additions	...	...	...	...	...	...	216	0	0
Cowra—Additions	...	...	...	...	...	...	2	0	0
Darlinghurst—Judge's Rooms and Improvement	...	...	...	...	...	...	1,681	1	7
Dungog—Additions	...	...	...	...	...	...	598	10	2
Gloucester—Erection	...	...	...	...	...	...	201	7	0
Lismore—Additions	...	...	...	...	...	...	98	9	4
Murwillumbah—Erection	...	...	...	...	...	...	0	14	0
White Cliffs—Purchasing Building	...	...	...	...	...	...	235	0	0
Minor Works—Erections, Additions, and Renewals	...	...	...	...	...	...	99	2	5
GAOLS—									
Penitentiary and Prison for Females—further sum	...	...	...	...	...	...	11,984	1	1
Minor Works—Erections, Additions, and Renewals	...	...	...	...	...	...	416	6	10
Carried forward	...	...	...	...	...	...	£	43,250	7 11

Public Works Account—continued.

PUBLIC BUILDINGS—SCHEDULE—continued.

VOTE OR WORK.						AMOUNT.		
						£	s.	d.
Brought forward						£	43,250	7 11
INSTITUTIONS FOR THE INSANE—								
Gladesville—								
Admission Blocks and Additions						2,920	12	5
Laundry Machinery						789	0	0
Nurses and Matron's Quarters						672	8	4
Callan Park—Additional Cottages and Laundry Plant						4,227	2	6
Parramatta—								
Medical Superintendent's Quarters						889	15	1
Fire Service						557	11	0
Rydalmere—Old Buildings and Additional Storeys						1,868	3	0
Kenmore—Additions						2,769	4	5
Morrisset—								
Erection						4,910	14	2
Erection of Wharf						516	5	7
Newcastle—Laundry Plant						252	0	0
Darlinghurst Reception House—Improvements						2,495	0	10
Minor Works—Erections, Additions, and Renewals						602	5	0
BENEVOLENT ASYLUMS—								
Waterfall—Home for Incurables						13,260	13	1
Rookwood—								
Additional Boundary Fencing						491	7	7
Additions and Medical Officer's Quarters						5,875	18	0
Newington—Laundry Machinery and Fire Escape						2,730	0	0
Liverpool—Improvements, Kitchen, and Laundry						3,268	14	10
Parramatta—Macquarie-street—								
Improvements						260	0	0
Shelter Shed and other Works (George-street)						1,427	11	7
Minor Works—Erection, Additions, and Renewals						31	13	9
SPECIAL ITEMS—								
University—								
Fisher Library						8,711	18	9
Engineering School						17,021	13	4
Medical School—Additions, towards						7	12	6
New Building to connect Fisher Library with existing Buildings—towards						20	0	0
National Library						10,005	2	10
Admiralty Victualling Stores						10,320	16	2
Parliamentary Buildings—Improvements						6,372	15	8
Registrar-General—Additional Accommodation, towards						26	10	0
Ormond House—Isolation Ward						423	17	6
Treasury—Improvements and Strong Room						1,063	10	8
Public Works Department—Additions to Accommodation						487	2	11
Sydney Morgue—Coroner's Court						3,106	4	5
Mount Kosciusko and Snowy River—Hospice and Accommodation Houses, towards						15,209	6	1
Thredbo River Accommodation House—Water Supply						451	5	9
Jenolan Caves—								
Additions and Improvements						900	0	0
Electric Lighting						960	0	4
Centennial Park—Overseer's Residence—Additions						166	11	6
Australian Museum—Additions, towards						1,170	2	6
National Art Gallery—Additions, towards						1,839	7	6
Testing House, Lithgow—Erection						1,026	15	10
Outer Domain—Steps to Cowper's Wharf and Additional Exits						55	1	10
Orange Lands Office—towards						5	0	0
Lands Office—Additional Accommodation						132	0	0
Coast Hospital—Alterations and Additions						512	0	9
Woolloomooloo Bay—Disinfecting Station Cottage						699	16	5
Unadjusted Advance, 1907-8						2,868	13	7
							177,629	15 11
Less—Repayments, 1906-7 Advance							33	11 0
TOTAL						£	*177,596	4 11

Public Works Account—continued.

PUBLIC INSTRUCTION—MISCELLANEOUS SERVICES, EQUIPMENT AND WORKS—SCHEDULE.

DETAIL Statement of Expenditure (supplied by the Department of Public Instruction) during the year ended 30th June, 1908.

VOTE OR WORK.	AMOUNT.
	£ s. d.
Scientific apparatus for Schools—further sum	1,456 13 10
Equipment of Manual Training Schools—further sum	247 2 5
In aid of Buildings (Educational Institutions)	2,237 15 11
Purchase of Sites for Schools of Arts, Auburn and Rockdale ...	900 0 0
TOTAL	£ *4,841 12 2

* See page 73.

No. 8.

THE GENERAL LOAN ACCOUNT.

ACCOUNT CURRENT

OF

RECEIPTS AND DISBURSEMENTS

IN THE YEAR ENDED 30TH JUNE, 1908.

THE GENERAL

Dr.

ACCOUNT CURRENT of RECEIPTS and

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
To Repayments to Credit of the undermentioned Votes, viz. :—		
<i>Permanent and Reproductive Works.</i>		
48 VICTORIA No. 26. Railway Branch— Grafton to the Tweed River, <i>via</i> Casino, Lismore, and the Brunswick, 165 miles	544 2 7	
54 VICTORIA No. 33. Sewerage Branch— Completion of Western Suburbs Sewerage Scheme (Schedule B of Act 54 Vic. No. 17)	247 19 4	
59 VICTORIA No. 6. Water Conservation and Irrigation, Artesian Boring, and Public Watering Places— Construction of Works in connection with Water Conservation, &c.	15 0 0	
62 VICTORIA No. 36. Harbours and Rivers— Trial Bay Prison—Erection of Quarters... ..	1 17 10	
64 VICTORIA No. 60. Water Conservation and Artesian Boring, Public Watering-places, and Services incidental thereto	350 19 10	
2 EDWARD VII No. 93. Water and Drainage Act (£200,000 a year for five years)	1,050 14 4	
Carried forward... ..	£ 2,210 13 11	

LOAN ACCOUNT.

DISBURSEMENTS in the Year ended 30th June, 1908.

Cr.

PARTICULARS OF DISBURSEMENTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
By Payments on account of the undermentioned Services, viz. :—		
<i>Permanent and Reproductive Works.</i>		
48 VICTORIA No. 26. Railway Branch— Grafton to the Tweed River, <i>via</i> Casino, Lismore, and the Brunswick, 165 miles		1,141 10 3
54 VICTORIA No. 33. Sewerage Branch— Completion of Western Suburbs Sewerage Scheme (Schedule B of Act 54 Vic. No. 17)		13,462 1 6
59 VICTORIA No. 6. Railway Construction— Parkes to Condobolin Railway		382 4 7
Water Conservation and Irrigation, Artesian Boring and Public Watering Places— Construction of Works in connection with Water Conservation, &c.		135 5 8
60 VICTORIA No. 32. Water Conservation and Irrigation— For Works in connection with Water Conservation and Irriga- tion, Drainage, and Land Resumptions, under the Water Rights Act		1,004 0 2
61 VICTORIA No. 43. Harbours and Rivers— Steamer for Snagging Operations		20 0 0
62 VICTORIA No. 36. Harbours and Rivers— Trial Bay Prison—Erection of Quarters... ..		6 9 3
63 VICTORIA No. 42. Railways— Land Resumptions on Railway Lines already constructed (old claims)		623 19 0
64 VICTORIA No. 60. Water Conservation and Artesian Boring, Public Watering Places and Services incidental thereto		6 16 10
1 EDWARD VII No. 62. Harbours and Rivers— Newcastle Wharfage and Shipping Appliances... ..		155 7 6
2 EDWARD VII No. 93. Water and Drainage Act (£200,000 a year for five years)		33,881 13 10
Carried forward... ..	£	50,819 8 7

Dr.

GENERAL LOAN ACCOUNT CURRENT of RECEIPTS and

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
To Repayments to Credit of the undermentioned Votes, viz. :—		
Brought forward	2,210 13 11	
3 EDWARD VII No. 14.		
Railway Construction—		
Central Railway Station, Sydney, and Approaches, including Land Resumption—further sum	3 0 0	
Government Architect—		
Prince Alfred Hospital—Pathological Department	1 5 5	
Miscellaneous—		
For the purpose of the Darling Harbour Wharfs Resumption Act, 1900—further sum	27 16 5	
4 EDWARD VII No. 31.		
Tramways—		
Additions to Lines, Workshops, and Buildings, and for other purposes	691 8 1	
Secretary for Lands—		
For making Roads of Access to Crown Lands—to be recouped out of first proceeds of sale of such lands ... £2,501 12 7		
Less Refunds 80 1 6		
	2,421 11 1	
Carried forward £	5,355 14 11	

DISBURSEMENTS in the Year ended 30th June, 1908—continued.

Cr.

PARTICULARS OF DISBURSEMENTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
By Payments on account of the undermentioned Services, viz. :—		
Brought forward		50,819 8 7
2 EDWARD VII No. 108.		
Railway—Culcairn to Germanton		105 18 11
3 EDWARD VII No. 14.		
Government Asylums for Infirm and Destitute—		
Cost of Land Reserved at Newington in connection with Asylum		2,000 0 0
Cottage Homes for State Children—		
Purchase of Land and Erection of Cottage Homes for State Children		3,580 0 6
Hospitals—		
Country Hospitals—Towards Erection of New Buildings to meet the demands for increased accommodation		100 0 0
Tramways—		
Additional Sub-stations, Feed Cables, &c., to meet increased traffic requirements		2,878 17 6
Railway Construction—		
Gundagai to Tumut—further sum	2,211 7 4	
Central Railway Station, Sydney, and Approaches, including Land Resumption—Further sum towards erection	526 19 3	
		2,738 6 7
Government Architect—		
Prince Alfred Hospital—Pathological Department		1,508 1 4
Miscellaneous—		
For the purposes of the Darling Harbour Wharfs Resumption Act, 1900—further sum		54,057 15 9
Sydney Water Supply—		
Improvements to Sydney Water Supply and Storage Dam on the Cataract River—further sum		12 0 0
Public Instruction—		
Purchase of Site and Buildings for Boys' Reformatory... ..		505 19 6
4 EDWARD VII No. 31.		
Railways—		
Towards Duplication of Penrith Viaduct—further sum		762 8 1
Tramways—		
Rolling Stock to meet traffic congestion in certain directions ...	6,654 8 10	
Additions to Lines, Workshops, and Buildings, and for other purposes, to meet the requirements of traffic	3,538 5 10	
		10,192 14 8
Lands—		
For making Roads of Access to Crown Lands—to be recouped out of first proceeds of sale of such lands		3,092 1 11
Carried forward £		132,353 13 4

Dr.

GENERAL LOAN ACCOUNT CURRENT of RECEIPTS and

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
To Repayments to Credit of the undermentioned Votes, viz.:—		
Brought forward	5,355 14 11	
4 EDWARD VII No. 31— <i>continued</i> .		
Harbours and Rivers—		
Newcastle Wharfage and Shipping Appliances	2,839 5 1	
5 EDWARD VII No. 36.		
Secretary for Lands—	£ s. d.	
Loan to Pastures Protection Boards, under Act No. 111 of 1902, for the Purchase of Wire-netting or other material and Plant for the destruction of Rabbits	28,880 11 1	
Less Refunds	376 7 8	
Railway Construction—	28,504 3 5	
Temora to Barellan—further sum	2 5 4	
North Coast Railway (Maitland to South Grafton), final survey for Route and Estimate of Costs	26 17 3	
Government Architect—	£ s. d.	
Penitentiary and Prison for Females—further sum	88 13 5	
Less Refund	6 0 0	
	82 13 5	
Carried forward	£ 36,810 19 5	

DISBURSEMENTS in the Year ended 30th June, 1908—*continued*.

Cr.

PARTICULARS OF DISBURSEMENTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
By Payments on account of the undermentioned Services, viz.:—		
Brought forward	£ 132,353 13 4	
4 EDWARD VII No. 31— <i>continued</i> .		
Bridges—		
Hunter River, at Dunolly Ford, Singleton		23 16 6
Harbours and Rivers—		
Newcastle Wharfage and Shipping Appliances—further sum		1,008 14 9
Country Towns Water Supply—further sum		237 10 0
Hunter River District Water Supply and Sewerage Board— New Reservoir—Pelaw Main and other Works		2,164 14 10
5 EDWARD VII No. 36.		
Fire Brigades—		
Towards purchase of Sites, and erection of Branch and Suburban Stations—further sum		2,121 15 5
Sydney Harbour Trust—		
Towards construction of new Berthing Accommodation, new Jetties, Sheds, &c.; new Punts for Dredges, general reconstruction of Wharves and Jetties; new Shops and Workmen's Dwellings, and generally for the Improvement of the Port—further sum	143 19 8	
Erection of Grain Jetty, Darling Harbour	2,236 15 10	
		2,380 15 6
Railways—		
Rolling Stock to meet additional Traffic Requirements	5,000 0 0	
Additions to Railway Lines, Buildings, and for other purposes	5,000 0 0	
		10,000 0 0
Tramways—		
Additions to Lines, Workshops, and Buildings, and for other purposes to meet the requirements of Traffic		7,943 3 11
Secretary for Lands—		
Loan to Pastures Protection Boards, under Act No. 111 of 1902, for the Purchase of Wire-netting or other material and Plant for the destruction of Rabbits		3,151 7 9
Railway Construction—		
Central Railway Station—further sum	20 12 1	
Central Railway Station and Approaches, Surplus Land Resumptions and Costs—further sum	1,132 5 3	
Temora to Barellan—further sum	2 5 4	
North Coast Railway (Maitland to South Grafton), final survey, for Route and Estimate of Costs	2,251 3 7	
		3,406 6 3
Government Architect—		
Penitentiary and Prison for Females—further sum	6,285 5 4	
Prince Alfred Hospital—Pavilions	566 10 9	
		6,851 16 1
Carried forward	£ 171,643 14 4	

Dr.

GENERAL LOAN ACCOUNT CURRENT of RECEIPTS and

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
To Repayments to Credit of the undermentioned Votes, viz. :—		
Brought forward	£ 36,810 19 5	
5 EDWARD VII No. 36— <i>continued</i> .		
Bridges—		
Hastings River, at Cameron Falls	12 9 0	
Country Towns Water Supply—further sum	44 9 11	
Metropolitan Board of Water Supply and Sewerage— Water Supply—		
Relining and Strengthening Upper and Lower Canals—further sum	5 18 9	
Sewerage—		
Construction and Ventilation of Reticulation Sewers generally in connection with approved scheme—further sum ...	80 16 9	
Western Suburbs Relief Sewers	4 14 6	
Hunter River District Water Supply and Sewerage Board—		
Walka Pumping Station—further sum	17 13 6	
Extension of Water Supply to Ash Island	2 16 6	
Mines and Agriculture—		
For the promotion of Agriculture—Agricultural Colleges and Experimental Farms, &c.	4 5 0	
Carried forward	£ 36,984 3 4	

DISBURSEMENTS in the Year ended 30th June, 1908—*continued*.

Cr.

PARTICULARS OF DISBURSEMENTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
By Payments on account of the undermentioned Services, viz. :—		
Brought forward	£ 171,643 14 4	
5 EDWARD VII No. 36— <i>continued</i> .		
Bridges—		
Hastings River, at Cameron Falls	1,679 11 9	
Harbours and Rivers—		
Wharf Extension, Woolloomooloo—Land Resumption and Costs	5 14 10	
Sewerage Construction—		
Parramatta Sewerage—towards	7,597 8 3	
Country Towns Water Supplies—further sum	13,887 13 9	
Metropolitan Board of Water Supply and Sewerage— Water Supply—		
Extension and Improvement of General Reticulation, including the conversion of Ball Hydrants into Spring-valve Hydrants, purchase of Water Meters, and minor works—further sum	2,388 5 0	
Relining and Strengthening Upper and Lower Canals—further sum	36 3 1	
Improvements to Northern Suburbs Water Supply	5 19 8	2,430 7 9
Sewerage—		
Construction and Ventilation of Reticulation Sewers generally, in connection with approved scheme—further sum ...	104 0 5	
Western Suburbs Relief Sewers	79 10 1	
Relieving Stormwater Channel, Baptist-street, Redfern ...	140 6 1	323 16 7
Hunter River District Water Supply and Sewerage Board—		
Walka Pumping Station—further sum	1,794 15 6	
Extension of Water Supply to Ash Island	173 7 11	
Extension of Water Mains to Abermain	445 15 4	2,413 18 9
Mines and Agriculture—		
For the promotion of Agriculture—Agricultural Colleges and Experimental Farms, &c.	340 5 9	
Additions to Caves House Jenolan, and necessary rebuilding of existing premises	1,202 1 5	1,542 7 2
6 EDWARD VII No. 39.		
Sydney Harbour Trust—		
Towards construction of Works generally, and for the improve- ment of the Port—further sum	30,437 10 9	
Railways—		
Rolling Stock to meet additional Traffic requirements ...	6,930 17 1	
Additions to Railway Lines, Buildings, and for other purposes	52,428 2 5	
Deviation to avoid Lithgow Zig Zag	4,260 17 2	63,619 16 8
Tramways—		
Additions to Lines, Workshops, &c.	41,230 2 9	
Carried forward	£ 336,812 3 4	

Dr.

GENERAL LOAN ACCOUNT CURRENT of RECEIPTS AND

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
To Repayments to credit of the undermentioned Votes, viz. :—		
Brought forward	£ 36,984 3 4	
6 EDWARD VII No. 39.		
Railway Construction—		
Narrabri to Walgett, with Branch towards Collareendabri—		
further sum	24 0 0	
Mudgee to Dunedoo—Permanent Survey	12 16 0	
Sydney Water Supply—		
Improvements to Sydney Water Supply and Storage Dam, Cataract River, including Land Resumptions—further sum	38 11 9	
Metropolitan Board of Water Supply and Sewerage—		
Water Supply—		
Extension and Improvements of General Reticulation, purchase of Water Meters, reservoirs at Randwick, additional pumps, buildings, land, surveys, and minor works—further sum ...	128 10 9	
Sewerage—		
Construction and Ventilation of Reticulation Sewers generally, City, Northern, Eastern, and Western Suburbs, Lands, Pumps, Relief Sewers, Surveys, and minor works generally—further sum	44 9 2	
Hunter River District Water Supply and Sewerage Board—		
Water Supply—		
Reticulation, Newcastle and Suburbs—further sum	16 11 4	
		37,249 2 4
Carried forward... ..	£	37,249 2 4

DISBURSEMENTS in the Year ended 30th June, 1908—continued.

Cr.

PARTICULARS OF DISBURSEMENTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
By Payments on account of the undermentioned Services, viz. :—		
Brought forward	£	336,812 3 4
6 EDWARD VII No. 39—continued.		
Railway Construction—		
Central Railway Station and Approaches—further sum ...	39,834 4 1	
Narrabri to Walgett, with Branch towards Collareendabri—		
further sum	24,018 5 9	
Manilla to Barraba—further sum	31,485 9 4	
Temora to Barellan—further sum	29,139 0 4	
Bogan Gate to Bulbodney—further sum	34,079 8 5	
Extension of Railway at Necropolis	4,780 18 7	
Mudgee to Dunedoo Railway—Permanent Survey	675 11 8	
Belmore—Chapel Road Railway	9,659 6 5	
North Coast Railway (Maitland to South Grafton)—towards...	7,551 7 10	
		81,223 12 5
Tramway Construction—		
Tramways generally ... ..	...	59,595 0 4
Sewerage Construction—		
Newcastle Sewerage—further sum	11,338 17 8	
Metropolitan Sewerage and Stormwater Channels generally—		
further sum	4,574 9 10	
Sewerage Construction generally... ..	652 17 5	
Illawarra Sewerage System	7,286 5 7	
Stanmore Road Stormwater Channel	5,905 8 2	
		29,757 18 8
Sydney Water Supply—		
Improvements to the Sydney Water Supply and Storage Dam, Cataract River, including Land Resumptions—further sum	...	24,729 5 8
Metropolitan Board of Water Supply and Sewerage—		
Water Supply—		
Extension and Improvement of General Reticulation, purchase of Water Meters, Reservoirs at Randwick, additional pumps, buildings, land, surveys, and minor works—further sum	580 9 1	
Concrete Lining and Strengthening Upper Canal—further sum	191 0 1	
Raising and Lining Lower Canal—further sum	17,985 3 1	
Improved Water Supply for Ryde and the Western Suburbs ...	6,312 8 9	
		25,069 1 0
Sewerage—		
Construction and Ventilation of Reticulation Sewers generally, City, Northern, Eastern, and Western Suburbs, Lands, Pumps, Relief Sewers, Surveys, and minor work generally—further sum	15,798 13 10	
Sewage Farm—Under-drainage—Flood Prevention Works ...	360 17 10	
		16,159 11 8
Hunter River District Water Supply and Sewerage Board—		
Water Supply—		
Reticulation, Newcastle and Suburbs—further sum	1,103 3 10	
Walka Pumping Station—further sum	1 15 0	
Waratah Reservoir—Caretaker's Cottage	386 18 11	
Weir across Hunter River below intake	0 7 0	
Towards 20-in. Main, Wallsend to Buttai	9,929 19 4	
		11,422 4 1
Carried forward... ..	£	684,768 17 2

Dr.

GENERAL LOAN ACCOUNT CURRENT of RECEIPTS and

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward ... .. £	.....	37,249 2 4
Carried forward ... .. £	.....	37,249 2 4

DISBURSEMENTS in the Year ended 30th June, 1908—continued.

Cr.

PARTICULARS OF DISBURSEMENTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
By Payments on account of the undermentioned Services, viz. :—		
Brought forward ... .. £	.....	684,768 17 2
7 EDWARD VII No. 19.		
Sydney Harbour Trust—		
Towards construction of Works generally, and for the improve-		
ment of the Port—further sum ... ..	.....	57,605 7 8
Railways and Tramways—		
Railways—		
Rolling Stock, to meet the large additional traffic and the		
opening of new extensions	478,243 16 10	
Additions to Railway Lines, Stations, and Buildings, and for		
other purposes	296,972 10 7	
Tramways—		
Towards duplication of portions of Existing Lines	6,369 12 9	
Additions to Lines, Workshops, and Buildings, and for other		
purposes, including an additional Unit for Ultimo Power		
House... ..	20,644 9 3	
City and Suburban Station and Car Sheds	34,388 8 10	
		61,402 10 10
Lands—		
For the Purchase of Wire-netting or other Material and Plant		
for the Destruction of Rabbits, under section 30 of Act 111		
of 1902—further sum ... ..	.....	15,821 16 1
Railway Construction—		
Narrabri to Walgett with Branch towards Collarenebri—		
further sum	13,983 9 10	
Manilla to Barraba—further sum	29,980 0 0	
Temora to Barellan—further sum	33,942 17 5	
Bogan Gate to Bulbodney—further sum	28,707 1 10	
Mudgee to Dunedoo Railway—further sum	30,789 4 9	
Belmore-Chapel Road Railway—further sum	13,917 0 2	
		151,319 14 0
Tramway Construction—		
Tramways generally ... ..	.....	143,108 12 10
Harbours and Rivers—		
Port Kembla Harbour Improvements ... ..	.....	6,919 16 8
Sewerage Construction—		
Stanmore Road Stormwater Channel—further sum	400 6 4	
Sewerage Construction generally... ..	0 7 8	
		400 14 0
Water Supply—		
20-inch Main, Wallsend to Buttai—further sum	34,875 17 0	
Compensation Weirs on Nepean River	1,125 14 1	
		36,001 11 1
Miscellaneous—		
New Public Abattoir at Homebush Point—further sum	85,000 0 0	
New Street, George-street to Regent-street, for Tramway		
Purposes	7,801 17 8	
		92,801 17 8
Metropolitan Board of Water Supply and Sewerage—		
(To be carried out by the Board)—		
Water Supply—		
Extension and Improvements to General Reticulation, purchase		
of Water Meters, Reservoirs at Randwick, Ashfield,		
Bellevue Hill, and North Sydney; Screen's Pipe Head,		
Raising and Lining Lower Canal; Pumping Main, Pumps,		
Buildings, Land, Surveys and Works generally—further		
sum ... ..	.....	61,814 7 10
Sewerage—		
Construction and Ventilation of Reticulation Sewers generally,		
City, Northern, Eastern, and Western Suburbs, Lands,		
Pumps, Relief Sewers, Buildings, Compensation, Surveys,		
and Works generally—further sum ... ..	.....	94,474 9 4
Carried forward ... .. £	.....	2,181,656 2 7

Dr.

GENERAL LOAN ACCOUNT CURRENT of RECEIPTS

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
Brought forward ... .. £	.....	37,249 2 4
Carried forward ... .. £	.....	37,249 2 4

DISBURSEMENTS in the Year ended 30th June, 1908—continued.

Cr.

PARTICULARS OF DISBURSEMENTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
By Payments on account of the undermentioned Services, viz. :—		
Brought forward ... .. £	.....	2,181,656 2 7
7 EDWARD VII No. 19—continued.		
Hunter River District Water Supply and Sewerage Board—		
Water Supply—		
Extension of Reticulation—further sum... ..	2,480 4 11	
Extension of Water Supply to Cessnock	1,699 0 1	
Store Advance Account	4,000 0 0	
Additions to Pumping Machinery, Walka	7 9 3	
		8,186 14 3
Sewerage—		
Extensions and Reticulations ... ..	.....	55 2 10
Total Works and Services	£	2,189,897 19 8
REPAYMENT OF LOANS.		
Repayment of Debentures—		
4 per cent. Debentures—due 1st July, 1903, under Act 36 Vic. No. 17 (in London) (Act 2 Edward VII No. 108) ...	600 0 0	
4 per cent. Debentures—due 1st July, 1905, under Act 36 Vic. No. 17 (in London) (Act 4 Edward VII No. 31) ...	200 0 0	
		800 0 0
Repayment of Treasury Bills—		
4 per cent. Treasury Bills issued under Act 55 Victoria No. 7—due 1st October, 1896 (in London)	4,000 0 0	
4 per cent. Treasury Bills issued under Darling Harbour Wharves Resumption Act of 1900—64 Vic. No. 10—due 1st August, 1907 (in London)	500,000 0 0	
4 per cent. Treasury Bills issued under Darling Harbour Wharves Resumption Act of 1900—64 Vic. No. 10—due 1st September, 1907 (in Sydney)	37,000 0 0	
4 per cent. Treasury Bills issued under Darling Harbour Wharves Resumption Act of 1900—64 Vic. No. 10—due 1st October, 1907 (in Sydney)	260,000 0 0	
4 per cent. Treasury Bills issued under Darling Harbour Wharves Resumption Act of 1900—64 Vic. No. 10—due 1st November, 1907 (in Sydney)	202,000 0 0	
4 per cent. Treasury Bills issued under Act 2 Edward VII No. 94—due 15th January, 1907 (in London)	500 0 0	
4 per cent. Treasury Bills issued under Act 2 Edward VII No. 94—due 1st July, 1907 (in London)	1,000,000 0 0	
3½ per cent. Treasury Bills issued under Act 2 Edward VII No. 94—due 1st July, 1907 (in Sydney)	325,000 0 0	
4 per cent. Treasury Bills issued under Act 2 Edward VII No. 94—due 1st November, 1907 (in London)	499,000 0 0	
4 per cent. Treasury Bills issued under Act 2 Edward VII No. 94—due 5th March, 1908 (in Sydney)	100,000 0 0	
4 per cent. Treasury Bills issued under Act 3 Edward VII No. 14—due 1st January, 1908 (in Sydney)	250,000 0 0	
3½ per cent. Treasury Bills issued under Act 4 Edward VII No. 31—due 1st July, 1907 (in London)	240,000 0 0	
		3,417,500 0 0
Redemption of Funded Stock—		
4 per cent. Funded Stock—due 10th August, 1907—issued under Loan Act of 1900 (in Sydney) (Act 6 Edward VII No. 39) ... ..	.....	199,300 0 0
Carried forward	£	5,807,497 19 8

PARTICULARS OF RECEIPTS.		AMOUNT.	TOTAL.
		£ s. d.	£ s. d.
Brought forward...	£	.....	37,249 2 4
To Repayments to Credit of Votes upon which there has been expenditure during the year, viz. :—			
17 VICTORIA No. 35.	£ s. d.		
Supply of Water, City of Sydney and Suburbs ...	1,137 2 6		
Less Refunds... ..	6 8 6		
		1,130 14 0	
29 VICTORIA No. 23.			
Railways—			
Additional Accommodation to Stations, &c. ...		80 0 0	
31 VICTORIA No. 11.			
Railways—			
Extension to Bathurst and Goulburn ...		3,253 0 0	
34 VICTORIA No. 2.			
Railways—			
New Station, Workshops, &c., Redfern ...		900 0 0	
38 VICTORIA No. 2.			
Railways—			
To connect the Great Northern Railway with the new Wharfage			
Accommodation at Bullock Island ...		228 2 6	
Colonial Architect—			
New Lunatic Asylum ...		17 15 0	
41 VICTORIA No. 4.			
Railways—			
To complete the construction of a line from Bathurst to Orange		70 0 0	
43 VICTORIA No. 11.			
Railway—			
Gunnedah to Narrabri ...		188 0 0	
Sewerage—City of Sydney ...		85 14 3	
44 VICTORIA No. 12.			
Tramways—Construction of ...		34,800 0 0	
44 VICTORIA No. 28.			
Railways—			
Homebush to Waratah ...		125 0 0	
Sydney to Wollongong and Kiama ...		2,180 2 6	
Alterations and Additions to Station Buildings and Siding			
Accommodation, &c. ...		10,489 0 0	
46 VICTORIA No. 23.			
For Construction of Tramways, including Motors, Rolling Stock,			
Machinery, &c. ...		10,000 0 0	
Alterations and additions to Railway Stations, &c. ...		2,143 0 0	
Sewerage—			
Southern Extension from original Sewage Farm at Shea's Creek			
to Webb's Grant, &c. ; Resumption, Land, Rushcutters'			
Bay, &c. ...		7 10 0	
Carried forward ...	£	65,697 18 3	37,249 2 4

Cr.

PARTICULARS OF DISBURSEMENTS.								TOTAL.		
								£	s.	d.
Brought forward								£	5,807,497	19 8
<div style="position: absolute; top: 0; right: 0; border-left: 1px solid black; border-bottom: 1px solid black; width: 100%; height: 100%;"></div>										
Carried forward								£	5,807,497	19 8

Dr.

GENERAL LOAN ACCOUNT CURRENT of RECEIPTS and

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
To Repayments to Credit of Votes upon which there has been no expenditure during the year— <i>continued</i> .		
	£ s. d.	£ s. d.
Brought forward	65 697 18 3	37,249 2 4
48 VICTORIA No. 26.		
For providing Water Supplies for Country Towns	2,343 1 10	
Railway Branch—		
City Railway Extension	200 0 0	
Additions and Alterations to Railway Stations... ..	1 428 0 0	
Gundagai to Tumut, <i>via</i> Adelong, &c.	485 11 8	
Goulburn to Crookwell	69 17 8	
Resumption of land at Rushcutter's Bay, Double Bay Waterloo and Botany, and Webb's Grant, for Sewerage purposes	112 10 0	
50 VICTORIA No. 28.		
Railways—		
Sydney to Wollongong and Kiama	400 0 0	
52 VICTORIA No. 17.		
Railways—		
North Shore Railway, from Junction to near Crow's Nest	13 8 0	
Construction of Storage Reservoir, Pott's Hill	3 0 0	
Extension of Sydney Water Supply to Western Suburbs, &c.	78 2 2	
53 VICTORIA No. 23.		
Railways—		
Additions, Alterations, and Improvements to Roads, Stations, &c.	2,158 0 0	
Sydney Water Supply Works—further sum	2,230 16 2	
Sewerage Branch—		
North Shore Sewerage	34 2 9	
Western Suburbs—Main Scheme	127 14 4	
54 VICTORIA No. 33.		
Railways—		
Additions, Alterations, &c., to Railway Stations	2,500 0 0	
For completing Suburban Line, &c.	4,000 0 0	
Harbours and Rivers—		
Clarence River Improvements	1,595 6 8	
Trial Bay Harbour Works	890 0 0	
Lake Macquarie Harbour Works	20 12 6	
Water Conservation and Irrigation—for surveys, gauging of Rivers, &c.	61 4 10	
Johnston's Creek Stormwater Channels	26 9 0	
Water Supply and Sewerage—		
Extension of Water Reticulation, Sydney and Suburbs	124 15 0	
56 VICTORIA No. 24.		
Tramway Construction Branch—		
Towards completion of the Tramway, King-street to Ocean-street	20,000 0 0	
57 VICTORIA No. 17.		
Hunter District Water Supply and Sewerage Board—		
To provide for additional Reticulation and other Works	371 18 9	
Carried forward	£ 104,972 9 7	37,249 2 4

DISBURSEMENTS in the Year ended 30th June, 1908—*continued*.

Cr.

PARTICULARS OF DISBURSEMENTS.	TOTAL.
	£ s. d.
Brought forward	£ 5,807,497 19 8
Carried forward	£ 5,807,497 19 8

PARTICULARS OF RECEIPTS.				AMOUNT.			TOTAL.		
				£	s.	d.	£	s.	d.
To Repayments to Credit of Votes upon which there has been no expenditure during the year— <i>continued.</i>									
	Brought forward	...	...	104,972	9	7	37,249	2	4
58 VICTORIA No. 14.									
	Towards construction of tramways generally...	...	...	255	0	0			
59 VICTORIA No. 6.									
	Harbours and Rivers—								
	Towards Harbour Works, &c., Newcastle	...	...	500	0	0			
	Hunter District Water Supply and Sewerage Board—								
	Duplicate Rising Main, Walka to Buttai	...	...	68	18	1			
60 VICTORIA No. 32.									
	Tramways Construction—								
	Electric Tramway from Circular Quay to Redfern Railway Station, &c.	...	...	25,200	0	0			
	Duplicate Main from Prospect to Pott's Hill...	...	...	44	2	6			
	Hunter District Water Supply and Sewerage Board—								
	Reticulation and other Works	...	...	53	0	2			
	Extension of Water Mains, &c., to supply the Sulphide Corporation, Cockle Creek	...	...	15	14	9			
	Agricultural Colleges and Experimental Farms	...	...	256	9	8			
61 VICTORIA No. 43.									
	Bridges—								
	Bridges generally (£59,751) (<i>Cockle Creek</i>)	...	...	0	10	0			
	Government Architect—								
	Prisons for Females	...	...	105	0	0			
	Harbours and Rivers—								
	Clarence River Improvements	...	...	600	0	0			
	Agriculture—For erection of Agricultural Colleges, &c., &c.	...	...	754	1	10			
62 VICTORIA No. 36.									
	Railways—								
	Additions to Railway Lines, Stations, &c.	...	...	527	16	3			
	Tramways—								
	Additions to Tramway Lines and Rolling Stock, &c.	...	...	7,430	0	0			
	To provide Water Supply for Minor Townships, &c....	...	...	93	0	0			
63 VICTORIA No. 42.									
	Harbours and Rivers Branch—								
	Port Kembla Harbour Improvements	...	...	2,160	0	0			
	Metropolitan Board of Water Supply and Sewerage—								
	Improvements in Mains, &c.	...	...	30	8	7			
	Carried forward...	...	...	£ 143,066	11	5	37,249	2	4

PARTICULARS OF DISBURSEMENTS.							TOTAL		
							£	s.	d.
Brought forward...	£	5,807,497	19 8

Dr.

GENERAL LOAN ACCOUNT CURRENT of RECEIPTS and

PARTICULARS OF RECEIPTS.	AMOUNT.	TOTAL.
	£ s. d.	£ s. d.
To Repayments to Credit of Votes upon which there has been no expenditure during the year— <i>continued</i> .		
Brought forward	£ 143,066 11 5	37,249 2 4
64 VICTORIA No. 10.	£ s. d.	
Darling Harbour Wharfs Resumption	2,836 15 6	
Less Refunds... ..	136 7 6	
	2,700 8 0	
64 VICTORIA No. 60.		
Government Architect—		
University Library—towards Building	278 7 0	
Harbours and Rivers—		
Port Kembla Harbour Improvements	2,161 0 0	
Hunter River District Water Supply and Sewerage Board—		
Water and Sewerage Works	54 0 0	
1 EDWARD VII No. 62.		
Sydney Harbour Trust—		
Towards the erection of New Wharfs, &c., &c....	150 0 0	
Railways—		
Additions—Railway Lines, &c.	150 0 0	
Tramways—		
Additions to Lines and Buildings, &c.	152 0 0	
Railway and Tramway Construction—		
Railways—		
Narrabri to Walgett, &c.—further sum... ..	63 9 3	
Miscellaneous—		
Towards erection of Public Baths, Sydney	1,850 0 0	
Harbours and Rivers—		
Clarence River Improvements	181 0 0	
Hunter River Water Supply and Sewerage Board—		
Reticulation	60 11 2	
Newcastle Borough Council—Water Supply Works—		
Debentures taken over by the Government with Water Supply Works, Act 55 Vic. No. 27, maturing 1st December, 1901	25 18 7	
2 EDWARD VII No. 108.		
Railways—		
Towards the Duplication of Existing Railway Lines	6 6 6	
Railway Construction—		
Manilla to Barraba	24 8 6	
Temora to Barellan	61 15 6	
Bogan Gate to Bulbodney	12 8 2	
Central Railway Station, Sydney—including Resumptions	15 5 0	
Cobar to Wilcannia	17 1 0	
Country Towns Water Supply	61 12 7	
Water Supply Main, Waratah	202 18 3	
Sydney Water Supply—	£ s. d.	
Improvements to Sydney Water Supply and		
Storage Dam on the Cataract River	4,904 8 10	
Less Refunds	113 3 6	
	4,791 5 4	
Hunter District Water Supply and Sewerage Board—		
Extension of Reticulation	3 9 8	
Wallsend Water Supply Reservoir	12 13 10	
Improvements to Newcastle Water Supply	18 8 2	
Agriculture—For the Promotion of Agriculture, &c.	7 10 0	
3 EDWARD VII No. 14.		
Government Architect—		
Inebriates' Institution, Hawkesbury River	24 10 3	
Harbours and Rivers—		
Clarence River Improvements	1 10 0	
Manning River Improvements	15 0 0	
Carried forward... ..	£ 156,169 8 2	37,249 2 4

DISBURSEMENTS in the Year ended 30th June, 1908—*continued*.

Cr.

PARTICULARS OF DISBURSEMENTS.	TOTAL.
	£ s. d.
Brought forward... ..	£ 5,807,497 19 8
Carried forward	£ 5,807,497 19 8

GENERAL LOAN ACCOUNT CURRENT of RECEIPTS and

DISBURSEMENTS in the Year ended 30th June, 1908—*continued.*

PARTICULARS OF DISBURSEMENTS.	TOTAL.
Brought forward £	£ s. d. 5,807,497 19 8
TOTAL £	£ s. d. 5,807,497 19 8

172—O

SERVICES PROVIDED FOR BY LOANS.

ABSTRACT of Net Expenditure for Public Works and other Services provided for by Loan Acts, from the commencement of the Loans Account to 30th June, 1903.

HEAD OF SERVICE.				AMOUNT.			TOTAL.		
				£	s.	d.	£	s.	d.
**Railways—from Railway Votes (opened and unopened for traffic)				46,363,435	8	10			
Less—Transferred to Bridges—Penrith Bridge ...				15,000	0	0			
				£46,348,435	8	10			
Do	from Public Works Votes	...	£639,521 14 5						
Add—Newcastle Wharf, Eastern side, Inner Basin ...				12,267	1	10	651,788	16	3
							47,000,224	5	1*
Tramways (opened and unopened for traffic) ...							4,356,679	7	6
Public Buildings and Sites—									
Justice ...				1,022,155	5	1			
Lands—Ordinary ...				457,546	5	5			
Do Closer Settlement ...				139,000	0	0			
Educational and Scientific ...				1,415,242	18	8			
Charitable Institutions, Hospitals, and Institutions for the Insane				747,638	0	11			
Fire Stations ...				70,645	6	10			
Recreation ...				38,936	3	9			
Government Establishments ...				309,873	10	2			
Miscellaneous ...				214,927	4	1			
							4,415,964	14	11
Water Supply and Sewerage—									
Metropolitan Water Supply (in operation and under construction) ...				5,354,560	9	8			
Metropolitan Sewerage (in operation and under construction) ...				4,639,159	14	3	9,993,720	3	11
Hunter District Water Supply do do				437,520	10	5			
Do Sewerage do do				143,230	17	2	580,751	7	7
Country Towns Water Supply do do				781,070	12	2			
Country Towns Sewerage do do				63,145	17	4	844,216	9	6
							1,135,257	0	4
Conservation of Water, Artesian Boring, &c. ...									
Roads and Bridges—									
Bridges ...				1,671,427	4	8			
Roads—ordinary... £97,200 9 9									
Do of Access to Crown Lands ... 16,362 7 4				113,562	17	1			
				16,953	5	9	1,801,943	7	6
Punts ...									
Harbours and Rivers Navigation—									
Improvements to Harbours and Rivers ...				3,193,522	2	2			
Wharfs, Docks, Appliances, &c. ...				2,381,119	6	9			
				£5,574,641	8	11			
Less—Transferred to Sydney Harbour Trust ...				1,182,099	7	4	4,392,542	1	7
							1,170,635	10	10
Darling Harbour Wharfs Resumptions ...									
Sydney Harbour Trust—									
From Trust Votes ...				513,902	2	6			
From Public Works Votes ...				1,471,366	4	2			
From Darling Harbour Wharfs Resumptions ...				3,160,055	11	6	5,145,323	18	2
							569,930	0	0†
Immigration ...							£81,407,188	6	11
Commonwealth Services—									
Construction of Telegraph and Telephone Lines ...				1,297,582	7	1			
Post and Telegraph Offices ...				464,262	7	3			
Fortifications and Defence Works ...				1,457,536	0	4			
Lighthouses ...				144,288	5	1			
Customs Buildings ...				48,879	7	2			
Quarantine Buildings ...				18,098	13	11			
							3,430,647	0	10
Public Works, Queensland, prior to separation from New South Wales, on 10th December, 1859—									
Public Works and Buildings ...				29,455	15	4			
Harbours and Rivers ...				5,585	13	2			
Roads and Bridges ...				14,814	0	0	49,855	8	6
Total Works and Services...							£84,887,690	16	3
Repayment of Loans ...							10,572,930	0	0†
Total (see page 108)							£95,460,620	16	3

* The expenditure for Railways includes £175,838 13s. 1d., contributed in 1877 by the Consolidated Revenue Fund to make good the amount short realised by the negotiation of the Railway Loan Act under 36 Vic. No. 17.

† Inclusive of £375,500 6s. 2d. for a Debenture Debt due by the Territorial Revenue for Immigration Service at 23rd November, 1855, the date of the proclamation of the new Constitution.

‡ Amount Debentures paid off, per Public Debt Statement (see page 117)

Less Paid from Consolidated Revenue Fund and General Sinking Fund	£7,425,887	4	2
Municipal Debentures paid off, charged to Works Votes and Sinking Fund (Trust Fund)	227,700	0	0
Treasury Bills for Works paid from General Loan Funds	13,486,500	0	0
Included under head of Immigration	375,500	0	0
Advances to Settlers' Stock, cancelled in terms of Section 18 of Government Savings Bank Act, 1906	305,000	0	0
	21,820,587	4	2

£10,572,930 0 0

** Vide Railway Capital Account Committee's Report.

The Treasury, New South Wales,
Sydney, 28th July, 1908.

C. G. L. BOYCE,
Comptroller of Accounts.

M.

GENERAL LOAN ACCOUNT.

GENERAL ACCOUNT

OF

RECEIPTS AND EXPENDITURE

TO

30TH JUNE, 1908.

M.
GENERAL LOAN
GENERAL ACCOUNT of RECEIPTS and

Dr.

PARTICULARS.		TOTAL.		
		£	s.	d.
To PAYMENTS made to 30th June, 1908, under Loan Appropriations, on account of Railways, Public Works, and other Services, as per Abstract of Expenditure, page 106...		95,460,620	16	3
To TREASURY BILLS issued under the Act 55 Victoria No. 7, paid off ...		4,000,000	0	0
To TREASURY BILLS issued under the Act 63 Vic. No. 46, paid off ...		3,998,500	0	0
To TREASURY BILLS issued under the Act 64 Vic. No. 10, paid off ...		999,000	0	0
To TREASURY BILLS issued under the Act 2 Ed. VII No. 94, paid off...		3,999,000	0	0
To TREASURY BILLS issued under the Act 3 Ed. VII No. 14, paid off...		250,000	0	0
To TREASURY BILLS issued under the Act 4 Ed. VII No. 31, paid off...		240,000	0	0
To PAYMENTS from amount recovered from the Mercantile Mutual Insurance Company ...		1,513	0	0
To REPAYMENT of Advances from the Consolidated Revenue Fund made pending Realisation of Loans Authorised ...		1,500,000	0	0
To REPAYMENT to the Curator of Intestate Estates of Advances made pending Realisation of Loans Authorised ...		50,000	0	0
TOTAL ...		£110,498,633	16	3

ACCOUNT.

EXPENDITURE to 30th June, 1908.

Er.

PARTICULARS.		AMOUNT.	TOTAL.
		£ s. d.	£ s. d.
By	PROCEEDS of DEBENTURES, Funded and Inscribed Stock, issued for Public Works and other Services provided for by Loans and proceeds of sale of Treasury Deficiency Bills and Advances to Settlers Stock, per Public Debt Statement...	99,034,345 12 0*	
By	PROCEEDS of TREASURY BILLS, issued under the Act 55 Victoria No. 7, to extent of £4,000,000, for Public Works and Services, per Public Debt Statement ...	3,983,077 1 9	
By	PROCEEDS of TREASURY BILLS, issued under Act 63 Victoria No. 46, to extent of £4,000,000, for Public Works, per Public Debt Statement ...	3,972,506 6 6	
By	PROCEEDS of Sale of TREASURY BILLS, issued under the Act 64 Victoria No. 10, to extent of £1,000,000 (Darling Harbour Resumption), per Public Debt Statement ...	986,564 10 0	
By	PROCEEDS of TREASURY BILLS, issued under Act 2 Edward VII No. 94, to extent of £4,000,000, for Public Works, per Public Debt Statement ...	3,964,044 9 5	
By	PROCEEDS of Sale of TREASURY BILLS, issued under the Act 3 Edward VII No. 14, to extent of £250,000, for Public Works, per Public Debt Statement ...	249,684 7 6	
By	PROCEEDS of Sale of TREASURY BILLS, issued under the Act 4 Edward VII No. 31, to extent of £240,000, for Public Works, per Public Debt Statement ...	239,100 0 0	
By	PROCEEDS of Sale of TREASURY BILLS, issued under Act 4 Edward VII No. 8, to extent of £1,902,900, for redemption of Treasury Bills, issued under Act 63 Vic. No. 46, per Public Debt Statement	1,901,928 15 0	
Less—	Amounts of Proceeds included in Public Debt Statement, but not credited to either Old Loans or General Loan Account, viz. :—		114,331,251 2 2
	Immigration ...	£724,733 3 1	
	Treasury Bills, 53 Vic. No. 9...	2,502,884 0 0	
	Treasury Bills, 59 Vic. No. 22 ...	1,174,700 0 0	
	Treasury Bills, 64 Vic. No. 68, 1 Ed. VII No. 8	755,179 4 8	
	Treasury Bills, 5 Edward VII No. 30 ...	336,890 0 0	
	Municipal Council of the City of Sydney—		
	Waterworks ...	85,000 0 0	
	Municipal Council of the City of Sydney—		
	Sewerage Works ...	126,000 0 0	
	Municipal Council, Darlington—Sewerage		
	Works ...	5,000 0 0	
	Municipal Council, Redfern—Sewerage Works	27,532 11 10	
	Newcastle Borough Council—Water Supply		
	Works ...	16,000 0 0	
	North Sydney Borough Council—Sewerage		
	Works ...	4,400 0 0	
	Balmain Municipal Council—Sewerage Works	2,500 0 0	
	Ashfield Municipal Council—Sewerage Works	9,700 0 0	
	Glebe Municipal Council—Sewerage Works...	9,100 0 0	
	Advances to Settlers Act of 1899 ...	424,450 0 0	
Act 16 Victoria No. 39—			
	Amount over-raised on issue of £200,000, and paid over to Sydney Railway Company ...	£7,365 3 4	
Less	Amount short-raised on issue of £17,500 provided from Consolidated Revenue ...	929 0 0	
			6,204,068 19 7
	Amounts over-raised and credited to Consolidated Revenue Fund, viz. :—		
	Act 35 Victoria No. 5 ...	£444 19 6	
	Act 36 Victoria No. 2 ...	15,833 10 9	
	Act 41 Victoria No. 7 ...	25,116 18 9	
			41,395 9 0
			6,251,900 11 11
	NET PROCEEDS credited to General Loan Account...		£ 108,079,350 10 3
By	AMOUNT TRANSFERRED from the CONSOLIDATED REVENUE FUND, in terms of Act 41 Victoria No. 8, to make good the amount short-raised in negotiation of Debentures authorised to be issued under Act 36 Victoria No. 17. (Issue, £1,901,500; net proceeds, £1,725,661 6s. 11d.) ...		175,838 13 1
By	AMOUNT RECOVERED from the MERCANTILE MUTUAL INSURANCE COMPANY (Limited), to make good damage by fire to Hawkesbury Agricultural College Buildings, Richmond...		1,513 0 0
By	AMOUNT ADVANCED from CONSOLIDATED REVENUE FUND, pending the realisation of Loans authorised...		1,500,000 0 0
By	AMOUNT ADVANCED by CURATOR OF INTESTATE ESTATES, pending the realisation of Loans authorised ...		50,000 0 0
By	DEBIT BALANCE, GENERAL LOAN ACCOUNT, 30th June, 1908 ...		691,931 12 11
	TOTAL ...	£	110,498,633 16 3

* Includes first instalment only (£1,000,000) of proceeds of loan of £3,000,000 floated in London in March, 1908, balance not yet brought to account.

N.

APPENDIX TO PUBLIC DEBT STATEMENT.

STATEMENT showing the result of Sales of Funded and Inscribed Stock from 1st July, 1907, to 30th June, 1908.

Particulars.	Year of Maturity.	Amount of Principal.	Nominal Rate of Interest.	Date from which Interest accrues.	Average per cent. at which sold.	Gross Amount raised.	Charges for Negotiation.	Net Amount Credited to General Loan Account.
							Brokerage.	
<i>Negotiated in Sydney.</i>								
Funded Stock—		£	%		£	£	£ s. d.	£ s. d.
64 Vic. No. 10 (Darling Harbour Wharf Resumption) ...	1921	325,750	3½	1 July, 1907 ...	100	325,750	Nil.	{ 325,750 0 0 (a) 372 12 1
3 Ed. VII No. 14	1921	999,869	3½	{ Various dates from 17 July to 9 December, 1907. }	100	999,869	2,000 0 0	997,869 0 0
3 Ed. VII No. 14	1923	499,903	3½	{ Various dates from 8 October, 1907, to 18 January, 1908. }	100	499,903	2,400 0 0	497,503 0 0
4 Ed. VII No. 31	1921	484,977	3½	{ Various dates from 1 July to 5 September, 1907. }	100	484,977	500 0 0	{ 484,477 0 0 (a) 89 6 11
6 Ed. VII No. 39	1923	1,032,211	3½	{ Various dates from 13 December, 1907, to 30 June, 1908. }	100	1,032,211	4,300 0 0	1,027,911 0 0
<i>Negotiated in London.</i>								
Inscribed Stock—								
7 Ed. VII No. 19	1930–1950	3,000,000	3½	1 January, 1908 ...	100	3,000,000	Nil.	1,000,000 0 0*

(a) Transferred from Loans Suspense Account; balance of amounts deducted from sales in previous years for payment of brokerage not required.
* First instalment only of proceeds of Loan issued in March, 1908, accounts and details of balance not yet to hand.

The Treasury, New South Wales,
Sydney, 28th July, 1908.

C. G. L. BOYCE,
Comptroller of Accounts.

STATEMENT
OF THE
PARTICULARS OF THE PUBLIC DEBT OF THE STATE
OF
NEW SOUTH WALES,
ON
30TH JUNE, 1908.

STATEMENT OF THE PARTICULARS OF THE PUBLIC DEBT OF

YEAR RAISED.	SERVICES.	AUTHORITY.	AMOUNT AUTHORISED TO BE RAISED.	AMOUNT OF DEBENTURES, FUNDED AND INSCRIBED STOCK, SOLD.	NET AMOUNT RAISED.
	OLD LOANS.		£ s. d.	£ s. d.	£ s. d.
	DEBENTURES.				
1842-55	Immigration ...	{ Govt. Gazette, 1842 to 1855. }	705,200 0 0	705,200 0 0	724,733 3 1
1853-5	Loans to the Sydney Railway Company...	16 Vic., No. 39	217,500 0 0	217,500 0 0	223,936 3 4
1854-9	Sydney Sewerage ...	17 Vic., No. 34	200,000 0 0	209,030 0 0	200,970 18 3
1854-8	Sydney Water Supply ...	17 Vic., No. 35	200,000 0 0	208,400 0 0	200,808 15 3
1855-67	Public Works ...	18 Vic., No. 35	178,750 0 0	144,000 0 0	134,615 10 6
1855-7	Railways ...	18 Vic., No. 40	624,733 18 8	666,800 0 0	628,541 15 5
1856-61	Public Works ...	19 Vic., Nos. 38 & 40.	445,323 0 0	410,500 0 0	394,624 14 0
1856-8	To pay off Land and Immigration Debentures.	20 Vic., No. 1	73,776 0 0	73,700 0 0	70,276 16 11
1856	Railways ...	20 Vic., No. 1	200,000 0 0	203,000 0 0	199,997 10 0
1857	To pay off Land and Immigration Debentures.	20 Vic., No. 16	130,400 0 0	132,300 0 0	130,311 0 0
1858-9	Public Works ...	20 Vic., No. 33	107,717 18 11	112,000 0 0	106,988 12 6
1858-9	Railways ...	20 Vic., No. 34	300,000 0 0	299,000 0 0	298,647 7 7
1859-61	To pay off Land and Immigration Debentures.	22 Vic., Nos. 5 & 26.	145,000 0 0	145,700 0 0	143,924 15 3
1859-61	Railways and Public Works ...	22 Vic., No. 22	758,500 0 0	760,700 0 0	751,575 2 5
1862	Public Works ...	22 Vic., No. 26	11,600 0 0	5,000 0 0	4,925 5 0
1860-2	To pay off Railway Debentures ...	23 Vic., No. 5	365,600 0 0	365,600 0 0	359,081 13 7
1862	Public Works and to pay off Land and Immigration Debentures.	23 Vic., No. 10	348,223 0 0	348,200 0 0	338,511 0 7
1861-2	Railways and Public Works ...	24 Vic., No. 24	113,535 0 0	113,900 0 0	112,207 11 6
1861	Voluntary and Assisted Immigration ...	24 Vic., No. 26	55,000 0 0	55,500 0 0	54,945 16 0
1862-6	Railways, Immigration, and Public Works	25 Vic., No. 19	1,782,370 14 6	1,782,300 0 0	1,684,855 7 11
1867	Railways and Public Works ...	26 Vic., No. 14	161,832 0 0	162,000 0 0	} 696,146 2 5
1867	Railways and Public Works ...	27 Vic., No. 14	670,025 12 7	670,000 0 0	
1866	To pay off Debentures ...	29 Vic., No. 5	300,000 0 0	300,000 0 0	266,433 17 2
1867	Railways, Public Works, and Immigration	29 Vic., No. 9	219,450 0 0	219,400 0 0	192,377 0 0
1868	Railways and other purposes ...	29 Vic., No. 23	758,000 0 0	758,000 0 0	712,115 16 1
1867	Railways and other purposes ...	30 Vic., No. 23	65,850 0 0	65,800 0 0	61,573 0 0
1869	Railways ...	31 Vic., No. 11	1,000,000 0 0	1,000,000 0 0	968,503 13 10
1868-9	Railways and other purposes ...	31 Vic., No. 27	177,407 0 0	177,400 0 0	177,934 0 0
1869-70	Railways and other purposes ...	32 Vic., No. 13	197,885 0 0	197,800 0 0	195,244 6 9
1871	Railways, to pay off Debentures, and other purposes.	34 Vic., No. 2	407,151 13 7	407,100 0 0	399,660 1 6
1871	To make good the loss sustained in the negotiation of the Debentures of previous Loans.	Under various Acts.		450,000 0 0	437,899 0 6
TOTAL, OLD LOANS			£ 10,920,830 18 3	11,365,830 0 0	10,872,367 17 4

THE STATE OF NEW SOUTH WALES, ON 30TH JUNE, 1908.

AMOUNT OVER-RAISED.		AMOUNT REQUIRED TO BE RAISED.		PARTICULARS OF THE SEVERAL ISSUES OF DEBENTURES.							
				AMOUNT OF EACH ISSUE SOLD.		PAID OFF.	OUTSTANDING.	DUE DATES.	RATE OF INTEREST PER ANNUM.	ANNUAL INTEREST ON TOTAL LOAN OUTSTANDING FOR EACH SERVICE.	
£	s. d.	£	s. d.	£	s. d.	£	£	s. d.		£	s. d.
19,533	3 1			705,200	0 0	705,200				2½d. to 5½d. per cent. per diem.	
+6,436	3 4			217,500	0 0	217,500				2½d. & 3½d. per cent. per diem.	
				25,900	0 0	25,900				3½d. per cent. per diem, and 4 and 5 per cent. per ann.	
				97,500	0 0	97,500					
				6,730	0 0	6,680	50 0 0	*1882			
				24,000	0 0	24,000					
				54,900	0 0	54,900					
				29,000	0 0	29,000					
				50,700	0 0	50,700					
				36,700	0 0	36,700					
				31,000	0 0	31,000					
				61,000	0 0	61,000					
				21,000	0 0	21,000					
				12,800	0 0	12,800					
				70,200	0 0	70,200					
				40,000	0 0	40,000					
				291,800	0 0	291,800					
				139,000	0 0	139,000					
				100,000	0 0	100,000					
				133,300	0 0	133,300					
				2,700	0 0	.....	2,700 0 0	Permanent			135 0 0
				46,200	0 0	46,200					
				150,000	0 0	150,000					
				70,800	0 0	70,600	200 0 0	*1882			
				136,800	0 0	136,800					
				6,700	0 0	6,700					
				70,500	0 0	70,500					
				3,200	0 0	3,200					
				203,000	0 0	203,000					
				132,300	0 0	132,300					
				100,000	0 0	100,000		1 Jan., 1873			
				10,000	0 0	10,000		1 July, 1888			
				2,000	0 0	2,000		1 Jan., 1889			
				175,000	0 0	175,000		1 July, 1888		5 per cent.	
				90,000	0 0	90,000		1 July, 1888			
				34,000	0 0	34,000		1 Jan., 1889			
				145,000	0 0	145,000		1 Jan., 1889			
				700	0 0	700		1 July, 1891			
				400,000	0 0	400,000		1 Jan., 1889			
				312,000	0 0	312,000		1 July, 1889			
				25,000	0 0	25,000		1 Jan., 1891			
				23,700	0 0	23,700		1 July, 1891			
				5,000	0 0	5,000		1 July, 1890			
				365,600	0 0	365,400	200 0 0	*1 Jan., 1890			
				348,200	0 0	348,200		1 July, 1890			
				113,900	0 0	113,900		1 July, 1891			
				55,500	0 0	55,500		1 July, 1891			
				1,782,300	0 0	1,782,300		1 Jan., 1892			
				162,000	0 0	162,000		1 Jan., 1895			
				670,000	0 0	669,800	200 0 0	*1 Jan., 1895			
				300,000	0 0	300,000		Various			
				219,400	0 0	219,300	100 0 0	*1 Jan., 1896			
				758,000	0 0	757,400	600 0 0	*1 July, 1896			
				65,800	0 0	65,800		1 Jan., 1897			
				1,000,000	0 0	1,000,000		Various			
				177,400	0 0	177,400		1 July, 1898			
				197,800	0 0	197,800		1 Jan., 1899			
				407,100	0 0	407,100		1 July, 1900			
				450,000	0 0	450,000		1 July, 1900			
25,969	6 5			11,365,830	0 0	11,361,780	4,050 0 0				135 0 0

YEAR RAISED.	SERVICES.	AUTHORITY.	AMOUNT AUTHORISED TO BE RAISED.	DESCRIPTION OF STOCK SOLD.	AMOUNT OF DEBENTURES, FUNDED AND INSCRIBED STOCK, SOLD	NET AMOUNT RAISED.
			£ s. d.		£ s. d.	£ s. d.
SUBSEQUENT LOANS.						
1871	Railways and other purposes	35 Vic., No. 5	374,980 0 0	Debentures	374,900 0 0	375,424 19 6
1872	Railways, repayment of Loans, and other purposes.	36 Vic., No. 2	406,863 7 3	"	406,800 0 0	422,696 18 0
1875-6	Railways	36 Vic., No. 17	1,901,500 0 0	"	1,901,500 0 0	1,725,661 6 11
1873-6	Public Works and repayment of Loans (New South Wales Four per cents.)	36 Vic., No. 21	509,780 0 0	Funded Stock	530,189 9 2	509,780 0 0
1876-88	Railways and other purposes	39 Vic., No. 18	235,690 0 0	Debentures	221,900 0 0	221,045 0 0
1879	Railways, repayment of Loans and other purposes.	38 Vic., No. 2	3,249,552 0 0	"	3,219,500 0 0	3,178,374 1 5
1881-3	Railways and other purposes	40 Vic., No. 12	1,120,000 0 0	"	1,120,000 0 0	1,115,116 18 9
		41 Vic., No. 4	7,352,768 0 0	"	7,352,700 0 0	7,302,099 18 11
1883	Railways and other purposes	41 Vic., No. 7	1,262,000 0 0	Inscribed Stock	1,262,000 0 0	1,244,685 17 6
1883-5	Railways and other purposes	43 Vic., No. 11	7,102,000 0 0	"	7,102,000 0 0	6,486,883 8 6
1885	Railways and other purposes	44 Vic., No. 28	1,000,000 0 0	"	1,000,000 0 0	894,886 19 3
1885	Railways and other purposes	45 Vic., No. 22	2,000,000 0 0	"	2,000,000 0 0	1,789,773 18 6
1885-9	Railways and other purposes	46 Vic., No. 23	14,388,303 0 0	"	12,322,700 0 0	11,811,175 19 8
1895-8	Railways and other purposes	48 Vic., No. 26	3,115,393 0 0	"	1,122,000 0 0	1,067,753 9 4
1889	To pay off Debentures	50 Vic., No. 28	1,390,600 0 0	"	1,500,000 0 0	1,479,745 16 6
1895	Railways and other purposes	52 Vic., No. 16	3,641,305 0 0	"	1,390,600 0 0	1,389,813 3 8
1901-2	Railways and other purposes	52 Vic., No. 17	5,019,896 0 0	"	1,100,000 0 0	1,046,257 12 8
1895	Railways and other purposes	56 Vic., No. 1	7,021,757 0 0	"	2,323,691 10 0	2,323,691 10 0
1901-2	Railways and other purposes	56 Vic., No. 1	5,019,896 0 0	"	1,000,000 0 0	911,229 7 9
		53 Vic., No. 23	1,144,000 0 0	"	1,144,000 0 0	1,088,107 18 11
		56 Vic., No. 1	3,000,000 0 0	"	2,150,000 0 0	2,27,191 7 5
1891-3	Railways, repayment of Loans, and other purposes.	51 Vic., No. 33	7,021,757 0 0	"	7,021,757 0 0	6,649,285 12 7
1893	Railways and other purposes	55 Vic., No. 35	1,190,276 0 1	"	647,443 0 0	461,208 4 1
1896	Railways, repayment of Loans, and other purposes.	56 Vic., No. 1	879,806 0 0	"	269,978 10 0	699,778 10 0
1894	Railways, repayment of Loans, and other purposes.	56 Vic., No. 1	1,460,650 0 0	"	287,800 0 0	287,800 0 0
1896-7	Railways and other purposes	57 Vic., No. 17	863,947 0 0	"	631,080 0 0	631,080 0 0
1895-7	Railways and other purposes	58 Vic., No. 14	198,065 0 0	"	832,000 0 0	29,550 16 2
1895	Repayment of Loans	59 Vic., No. 5	977,400 0 0	"	863,947 0 0	862,776 0 0
1895-98	Railways and other purposes	59 Vic., No. 6	1,332,945 0 0	"	198,065 0 0	197,653 2 6
1898-1901	Railways, repayment of Loans, and other purposes.	59 Vic., No. 6	222,255 0 0	"	633,400 0 0	602,454 3 5
1901-2	Railways, repayment of Loans, and other purposes.	60 Vic., No. 32	2,063,253 0 0	"	1,332,945 0 0	1,332,481 7 2
1904-6	Railways, repayment of Loans, and other purposes.	60 Vic., No. 32	208,123 0 0	"	222,255 0 0	222,135 7 6
1902-3	Railways, repayment of Loans, and other purposes.	61 Vic., No. 43	1,800,005 0 0	"	1,809,810 1 6	1,807,398 9 3
1906-7	Railways, repayment of Loans, and other purposes.	61 Vic., No. 43	224,747 0 0	"	1,764,456 0 0	1,764,639 11 1
1901-7	Darling Harbour Wharf Resumption	62 Vic., No. 36	1,899,887 0 0	"	1,500,000 0 0	1,500,000 0 0
1903-5	Railways, Repayment of Loans, and other purposes.	62 Vic., No. 36	333,650 0 0	"	250,000 0 0	250,000 0 0
1904-6	Railways, repayment of Loans, and other purposes.	63 Vic., No. 42	2,728,441 0 0	"	199,775 0 0	198,850 17 6
1906	Water and Drainage	63 Vic., No. 42	145,540 0 0	"	3,000,000 0 0	2,733,688 3 3
1906	Railways, repayment of Loans, and other purposes.	64 Vic., No. 10	4,000,000 0 0	"	999,810 0 0	998,182 12 1
1907	Railways, repayment of Loans, and other purposes.	64 Vic., No. 60	2,703,385 0 0	"	550,000 0 0	549,114 1

|| Loan of £2,000,000 in Debentures floated in London under

DEBT ON 30TH JUNE, 1938—continued.										
AMOUNT OVER-RAISED		AMOUNT REQUIRED TO BE RAISED.		PARTICULARS OF THE SEVERAL ISSUES OF DEBENTURES, FUNDED AND INSCRIBED STOCK.						
				AMOUNT OF EACH ISSUE SOLD.	PAID OFF.	OUTSTANDING.	DUE DATES.	RATE OF INTEREST PER ANNUM.	ANNUAL INTEREST ON TOTAL LOAN OUTSTANDING FOR EACH SERVICE.	
£	s. d.	£	s. d.	£	s. d.	£	s. d.		£	s. d.
£444	19 6	...	...	374,900	0 0	374,900	...	1 July, 1901...	5 per cent.	...
£15,833	10 9	...	...	406,800	0 0	406,800	...	1 July, 1902...	5 "	...
...	1,001,500	0 0	{ 1,000,000 4901,500	...	1 July, 1903...	4 "	...
...	530,189	9 2	...	530,189 9 2	1 July, 1905...	4 "	...
...	530,189	9 2	...	530,189 9 2	Interminable...	4 "	21,207 11 7
...	224,900	0 0	224,900	...	1 July, 1906...	4 "	...
...	3,249,500	0 0	...	{ 1,500,000 0 0 1,749,500 0 0	1 July, 1908...	4 "	60,000 0 0
...	1,120,000	0 0	...	{ 2,863,700 0 0 5,609,000 0 0	1 Jan., 1909...	4 "	69,880 0 0
£25,116	18 9	...	...	7,352,700	0 0	...	...	1 July, 1910...	4 "	114,548 0 0
...	1,262,000	0 0	...	...	1 July, 1913...	4 "	224,360 0 0
...	7,102,000	0 0	...	{ 1,262,000 0 0 315,300 0 0	1 July, 1933...	4 "	50,480 0 0
...	1,000,000	0 0	...	{ 6,786,700 0 0 1,000,000 0 0	1 July, 1933...	4 "	12,612 0 0
...	2,000,000	0 0	...	...	1 Oct., 1924...	3½ "	237,534 10 0
...	{ 6,713,300 0 0 3,500,000 0 0	...	...	...	1 Oct., 1924...	3½ "	35,000 0 0
...	{ 2,109,400 0 0 1,122,600 0 0	...	...	...	1 Oct., 1924...	3½ "	70,000 0 0
...	{ 1,500,000 0 0 1,390,600 0 0	...	...	...	1 Oct., 1924...	3½ "	234,965 10 0
...	{ 1,100,000 0 0 323,691 10 0	...	...	...	1 Oct., 1924...	3½ "	122,500 0 0
...	{ 1,000,000 0 0 1,144,000 0 0	...	...	...	1 Oct., 1924...	3½ "	73,829 0 0
...	{ 15,000 0 0 3,000,000 0 0	...	...	...	1 Oct., 1924...	3½ "	78,678 0 0
...	{ 494,200 0 0 4,500,000 0 0	...	...	...	1 Oct., 1924...	3½ "	48,671 0 0
...	{ 2,027,557 0 0 472,443 0 0	...	...	...	1 Oct., 1924...	3½ "	33,000 0 0
...	{ 699,778 10 0 879,800 0 0	...	...	...	1 Oct., 1924...	3½ "	12,947 13 2
...	{ 631,080 0 0 832,000 0 0	...	...	...	1 Oct., 1924...	3½ "	30,000 0 0
...	{ 863,947 0 0 198,065 0 0	...	...	...	1 Oct., 1924...	3½ "	34,320 0 0
...	{ 633,400 0 0 1,332,945 0 0	...	...	...	1 Oct., 1924...	3½ "	600 0 0
...	{ 222,255 0 0 1,809,810 1 6	...	...	...	1 Oct., 1924...	3½ "	90,000 0 0
...	1 Oct., 1924...	3½ "	174,797 0 0
...	1 Oct., 1924...	3½ "	100,000 0 0
...	1 Oct., 1924...	3½ "	27,991 2 10
...	1 Oct., 1924...	3½ "	35,192 0 0
...	1 Oct., 1924...	3½ "	25,243 4 0
...	1 Oct., 1924...	3½ "	29,120 0 0
...	1 Oct., 1924...	3½ "	25,918 8 2
...	1 Oct., 1924...	3½ "	5,941 19 0
...	1 Oct., 1924...	3½ "	19,002 0 0
...	1 Oct., 1924...	3½ "	39,988 7 0
...	1 Oct., 1924...	3½ "	6,667 13 0
...	1 Oct., 1924...	3½ "	54,294 6 0
...	1 Oct., 1924...	3½ "	...
...	1 Oct., 1924...	3½ "	...
...	1 Oct., 1924...	3½ "	...
...	1 Oct., 1924...	3½ "	...
...	1 Oct., 1924...	3½ "	...
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...	1 Oct., 1924...	3½ "	...
...	1 Oct., 1924...	3½ "	...
...	1 Oct., 1924...	3½ "	...
...					

Acts 64 Vic. No. 60 and 1 Edw. VII, No. 62, conjointly.

STATEMENT OF PARTICULARS OF PUBLIC

YEAR RAISED.	SERVICES.	AUTHORITY.	AMOUNT AUTHORIZED TO BE RAISED.	AMOUNT OF DEBENTURES, FUNDED AND INSCRIBED STOCK, SOLD.	NET AMOUNT RAISED.
			£ s. d.	£ s. d.	£ s. d.
1889-90	Treasury Bills (Deficiency of 1886 and previous years)	53 Vic. No. 9	2,600,000 0 0	2,502,884 0 0	2,502,884 0 0
1896	Treasury Bills (Deficiency to 30th June, 1895)	59 Vic. No. 22	1,174,700 0 0	1,174,700 0 0	1,174,700 0 0
1901-2	Treasury Bills (Deficiency to 30th June, 1900)	64 Vic. No. 68 1 Edw. VII No. 8	755,179 4 8	755,179 4 8	755,179 4 8
1905	Treasury Bills (Deficiency to 30th June, 1905)	5 Edw. VII No. 30	336,890 0 0	336,890 0 0	336,890 0 0
1892	Treasury Bills for Public Works	55 Vic. No. 7	74,000,000 0 0	3,250,000 0 0 750,000 0 0	3,233,077 1 9 750,000 0 0
1900	Treasury Bills for Public Works	63 Vic. No. 46	4,000,000 0 0	4,000,000 0 0	3,972,506 6 6
1903-4	Treasury Bills for Public Works, pending the issue of Debentures or Inscribed Stock	64 Vic. No. 10	1,000,000 0 0	1,000,000 0 0	986,564 10 0
1902-4	Treasury Bills for Public Works	2 Edw. VII No. 94	4,000,000 0 0	4,000,000 0 0	3,964,044 9 5
1903-5	Treasury Bills for Public Works, pending the issue of Debentures or Inscribed Stock.	3 Edw. VII No. 14	250,000 0 0	250,000 0 0	249,684 7 6
1905	Treasury Bills for Public Works, pending the issue of Debentures or Inscribed Stock.	4 Edw. VII No. 31	240,000 0 0	240,000 0 0	239,100 0 0
1904-6	Treasury Bills (Redemption)	4 Edw. VII No. 8	1,902,900 0 0	1,902,900 0 0	1,901,928 15 0
1888	Municipal Council of the City of Sydney Waterworks		85,000 0 0	85,000 0 0	85,000 0 0
1889	Municipal Council of the City of Sydney Sewerage Works		126,000 0 0	126,000 0 0	126,000 0 0
1890	Municipal Council, Darlington, Sewerage Works		5,000 0 0	5,000 0 0	5,000 0 0
1890	Municipal Council, Redfern, Sewerage Works		30,000 0 0	30,000 0 0	27,532 11 10
1893	Newcastle Borough Council, Water Supply Works		16,000 0 0	16,000 0 0	16,000 0 0
1897	North Sydney Sewerage Works		4,400 0 0	4,400 0 0	4,400 0 0
1894	Balmain Municipal Council, Sewerage Works		2,500 0 0	2,500 0 0	2,500 0 0
	Ashfield Municipal Council—Sewerage Works		3,700 0 0	3,700 0 0	3,700 0 0
1888	Sewerage Works		1,500 0 0	1,500 0 0	1,500 0 0
1890	Sewerage Works		4,500 0 0	4,500 0 0	4,500 0 0
1890	Sewerage Works		9,100 0 0	9,100 0 0	9,100 0 0
1899 to 1905	Advances to Settlers—Loans	62 Vic. No. 1 2 Edw. VII No. 106	500,000 0 0 500,000 0 0	425,050 0 0	424,450 0 0
	TOTAL, MISCELLANEOUS		21,547,369 4 8	20,875,303 4 8	20,776,241 6 8
	TOTAL, OLD LOANS...		10,920,830 18 3	11,365,830 0 0	10,872,367 17 4
	TOTAL, SUBSEQUENT LOANS		101,044,093 7 4	87,788,209 10 8	82,682,641 18 2
	GRAND TOTALS		£ 133,512,233 10 3	120,029,342 15 4	114,331,251 2 2

* Overdue bonds unrepresented. † This amount was included in a sum of £7,365 3s. 4d. paid over to the Sydney Railway Company, being the was supplied for the service from the Consolidated Revenue. ‡ Credited to the Consolidated Revenue Fund. § The amount short-raised was £832,000 floated in September, 1894, under Act 57 Vic. No. 17, to meet these Debentures. c Of these sums, £2,050,000 were issued in the option of the holders—a privilege which was availed of to the extent of £1,186,300 only. d £4,500,000, Inscribed Stock, issued in September, 1891; issued under Act 55 Vic. No. 35. e Includes £494,200 Conversion Stock, as follows:—19 Vic. Nos. 38 and 40, £100; 22 Vic. No. 22, £2,000; 24 Vic. No. 24, during 1893 and 1894, realising £189,600. f Issued to cover Consolidated Revenue deficiency of 1886 and previous years. First issue, of £2,502,884 at 4 extent of £1,752,884 were then issued for a further period of five years, maturing 1st January, 1900, at 3 and 4 per cent., the latter rate being allowed only £1,364,334 at 3 per cent., £388,500 at 4 per cent. g Issued on account of authorisations by the various Loan Acts. h Taken over by Government Works under Act 53 Vic. No. 16, Metropolitan Water and Sewerage Act Amendment Act of 1889. j £6,000,987 4s. 2d. from Consolidated Revenue Fund, Immigration, £13,486,500 Treasury Bills paid off from General Loan Account, and £305,000 Advances to Settlers Stock cancelled in terms of section 18 of Supply and Sewerage Act of 1892. l Loan of £2,500,000 under these Acts conjointly floated in London in October, 1893. m Sinking Fund, Debentures under Acts 26 Vic. No. 14 and 27 Vic. No. 14 matured on 1st January, 1895. n Mortgage held by Australian Mutual Provident Society from street, Balmain, under Act 57 Vic. No. 12, Metropolitan Water and Sewerage Act Extension Act of 1894. o Loan of £4,000,000 raised in London Debentures taken over by the Government. t Debentures issued under Act 36 Vic. No. 17, maturing 1st July, 1905, and Treasury Bills issued under No. 60 and 1 Ed. VII No. 62, conjointly, in London, in January, 1905. u Treasury Bills issued in Sydney under Act 63 Vic. No. 46, bearing interest at 3½ Act, 4 Ed. VII No. 8, bearing interest at 4 per cent. per annum. v Treasury Bills issued in Sydney under Act 63 Vic. No. 46, bearing interest at 3½ per cent. for Treasury Bills issued under Treasury Bills Redemption Act, 4 Ed. VII No. 8, bearing interest at a similar rate. w At Government option on and after instalment of proceeds of sale of Inscribed Stock to extent of £3,000,000, in London, in March, 1908, only brought to account, viz., £1,000,000.

NOTE.—The amount of Stock sold under the Funded Stock Act of 1892, 56 Vic. No. 1, was £2,549,350. The premium, amounting to £9,896 14s., was, were distributed to the purposes of the following Acts, viz.:—52 Vic. No. 17, £323,691 10s.; 53 Vic.

DEBT ON 30TH JUNE, 1908—continued.

AMOUNT OVER-RAISED.		AMOUNT REQUIRED TO BE RAISED.		PARTICULARS OF THE SEVERAL ISSUES OF DEBENTURES, FUNDED AND INSCRIBED STOCK.							
				AMOUNT OF EACH ISSUE SOLD.	PAID OFF.	OUTSTANDING.	DUE DATES.	RATE OF INTEREST PER ANNUM.	ANNUAL INTEREST ON TOTAL LOAN OUTSTANDING FOR EACH SERVICE.		
£ s. d.	£ s. d.	£ s. d.	£	£ s. d.	£ s. d.	£ s. d.			£ s. d.		
.....	.....	2,502,884 0 0	2,502,884	.....	1 Jan., 1907 ...	3 & 4 p. cent.	.....			
.....	.....	1,174,700 0 0	352,253 1/2	82,446 15 10	1 March, 1901..	3	„	24,673 8 1		
.....	.....	755,179 4 8	600,000	155,179 4 8	1 Feb., 1910 ...	3	„	4,655 7 6		
.....	.....	336,890 0 0	100,000	236,890 0 0	31 July, 1913 ...	3 1/2	„	8,291 3 0		
}	16,922 18 3	{	3,250,000 0 0	3,250,000	.....	1 Oct., 1896	4	„	.....	
			750,000 0 0	750,000	.....	1896	4 1/2	„	.....	
}	27,493 13 6	{	1,000,000 0 0	1,000,000	.....	1 March, 1902..	4	„	.....	
			1,000,000 0 0	1,000,000	*1,500 0 0	1 March, 1905..	4	„	.....	
			500,000 0 0	500,000	.....	1 May, 1905 ...	3 1/2	„	.....	
			500,000 0 0	500,000	.....	1 Sept., 1905 ...	3 1/2	„	.....	
			500,000 0 0	500,000	.....	1 Feb., 1906 ...	3 1/2	„	.....	
			500,000 0 0	500,000	.....	1 June, 1906 ...	3 1/2	„	.....	
}	13,435 10 0	{	500,000 0 0	500,000	.....	1 Aug., 1907 ...	4	„	.....	
			37,000 0 0	37,000	.....	1 Sept., 1907 ...	4	„	.....	
			260,000 0 0	260,000	.....	1 Oct., 1907 ...	4	„	.....	
			203,000 0 0	202,000	*1,000 0 0	1 Nov., 1907 ...	4	„	.....	
}	35,955 10 7	{	2,000,000 0 0	2,000,000	.....	15 Jan., 1907 ...	4	„	.....	
			75,000 0 0	75,000	.....	1 April, 1907 ...	4	„	.....	
			1,000,000 0 0	1,000,000	.....	1 July, 1907 ...	4	„	.....	
			325,000 0 0	325,000	.....	1 July, 1907 ...	3 1/2	„	.....	
			500,000 0 0	499,000	*1,000 0 0	1 Nov., 1907 ...	4	„	.....	
			100,000 0 0	100,000	.....	5 March, 1908..	4	„	.....	
315 12 6	250,000 0 0	250,000	.....	1 Jan., 1908 ...	4	„	.....			
900 0 0	240,000 0 0	240,000	.....	1 July, 1907 ...	3 1/2	„	.....			
}	971 5 0	{	402,900 0 0	402,900 0 0	.....	1 May, 1910 ...	4	„	16,116 0 0	
			500,000 0 0	500,000 0 0	.....	1 Sept., 1910 ...	3 1/2	„	17,500 0 0	
			500,000 0 0	500,000 0 0	.....	1 Feb., 1911 ...	3 1/2	„	17,500 0 0	
			500,000 0 0	500,000 0 0	.....	1 June, 1911 ...	3 1/2	„	17,500 0 0	
.....	85,000 0 0	55,000	30,000 0 0	1 Jan., 1912	4	„	1,200 0 0				
.....	126,000 0 0	126,000	.....	.....	5 & 6	„	.....			
.....	5,000 0 0	5,000	.....	.....	.....	.....	.....
.....	30,000 0 0	.....	30,000 0 0	1 July, 1912 ...	4	per cent.	1,200 0 0			
.....	16,000 0 0	16,000	.....	1 Dec., 1901	}	4 1/2	„	.....		
.....	4,400 0 0	4,400	.....	1 Jan., 1897						
.....	2,500 0 0	2,500	.....	30 Sept., 1898						
.....	3,700 0 0	3,700	.....	1 Oct., 1903						
.....	1,500 0 0	1,500	.....	1 July, 1895	}	4 1/2	„	.....		
.....	4,500 0 0	4,500	.....	1 Aug., 1900						
.....	9,100 0 0	9,100	.....	1 Mar., 1898						
.....	425,050 0 0	305,000	120,050 0 0	1919	3	„	3,601 10 0				
.....	95,994 9 10	20,875,303 4 8	17,574,337 4/2	3,300,966 0 6	.....	.....	112,237 8 7		
25,969 6 5	.....	11,365,830 0 0	11,361,780	4,050 0 0	.....	.....	135 0 0		
41,395 9 0	5,934,744 10 6	87,788,209 10 8	3,457,400	84,330,803 10 8	.....	.....	2,984,803 13 7		
67,364 15 5	6,080,739 0 4	120,029,342 15 4	32,393,517 4/2	87,635,825 11 2	.....	.....	3,097,176 2 2		

premium gained on two issues of £50,000 and £150,000 under the Act 16 Vic. No. 39. The third loan of £17,500 was issued at a discount of £929, which under this Act, viz., £175,838 13s. 1d., has been made good from the Consolidated Revenue Fund. a £25,000 repaid by Government of Victoria. Debentures. The £2,000,000 loan of 1882 was issued in Debentures also, but they were subsequently authorised to be exchanged for Inscribed Stock at £494,200, Conversion Stock, issued May, 1891; and £2,027,557, being portion of loan of £2,500,000, floated October, 1893. The balance of loan (£472,443) is £10,700; and 24 Vic. No. 26, £2,200—matured 1st July, 1891; 25 Vic. No. 19, £279,200—matured 1st January, 1892; and £200,000 Conversion Stock sold per cent. for five years, matured on 1st January, 1895, but bills to extent of £750,000 having been retired by annual payments of £150,000, fresh bills to on bills representing Trust Funds, the relative Statutes to which provided for investment at not less than 4 per cent. The respective re-issues were with Sewerage and Water Works under Act 43 Vic. No. 32, Metropolitan Water and Sewerage Act of 1880. i Taken over by Government with Sewerage £1,424,900 by State Debt Commissioners, £10,572,930 by renewals under Loan Acts, £227,700 Municipal Debentures charged Works Loan Votes, £375,500 account Government Savings Bank Act, 1906. k Taken over by Government with Water Supply Works under Act 55 Vic. No. 27, Hunter District Water £2,788 2s. 1d., handed over by Newcastle Borough Council and credited to Trust Fund in 1893. n Loan of £832,000, issued September, 1894, to meet the Balmain Municipal Council. Interest payable by Government from 1st July, 1894. p Taken over by Government with Stormwater Sewer in Beattie in October, 1895. r Ashfield Municipal Council, Sewerage Debentures taken over by the Government. s Glebe Municipal Council, Sewerage Act 63 Vic. No. 46, matured 1st March, 1905, were exchanged to the extent of £564,600, and £646,500, respectively, for Debentures issued under Acts 64 Vic. per cent. per annum, matured 1st May, 1905, were exchanged to the extent of £391,700 for Treasury Bills issued in Sydney under Treasury Bills Redemption per annum, matured 1st September, 1905, 1st February, 1906, and 1st June, 1906, were exchanged, to extent of £230,900, £160,300, and £453,900 respectively, 1st July, 1930. x Vide note. y Authority for further issue of Stock under the provisions of section 3, subsection (1), of the Act has lapsed. z First

after deducting expenses for commission on sales, viz., £2,363 9s. 6d., transferred to the Consolidated Revenue Fund, viz., £7,533 4s. 6d. The net proceeds No. 23, £15,000; 55 Vic. No. 35, £699,778 10s.; 56 Vic. No. 24, £879,800; 57 Vic. No. 17, £631,080.

Public Debt.

STATEMENT showing the DUE DATES, &c., of OUTSTANDING DEBENTURES, FUNDED and INSCRIBED STOCK, and TREASURY BILLS, on 30th June, 1908.

YEAR WHEN DUE.	AUTHORISING ACT.	DEBENTURES.	INSCRIBED AND FUNDED STOCK.	TREASURY BILLS.	TOTAL.	ANNUAL INTEREST.	
						Rate.	Amount.
		£	£ s. d.	£ s. d.	£ s. d.		£ s. d.
1890	23 Vic. No. 5	200 ^a	.....	.....	200 0 0	5 $\frac{1}{2}$ cent.	.....
1895	27 Vic. No. 14	200 ^a	.....	.....	200 0 0	"	.....
1895-6	29 Vic. No. 9	100 ^a	.....	.....	100 0 0	"	.....
1896-7	29 Vic. No. 23	600 ^a	.....	.....	600 0 0	"	.....
1904-5	63 Vic. No. 46 .....	.....	.....	1,500 0 0 ^a	1,500 0 0	4 $\frac{1}{2}$ cent.	.....
1907-8	64 Vic. No. 60 .....	.....	700 0 0 ^a	.....	700 0 0	"	.....
	64 Vic. No. 10 .....	.....	.....	1,000 0 0 ^a	1,000 0 0	"	.....
	2 Ed. VII No. 94 .....	.....	.....	1,000 0 0 ^a	1,000 0 0	"	.....
1908-9	38 Vic. No. 2	3,249,500	.....	.....	3,249,500 0 0	4 $\frac{1}{2}$ cent.	129,980 0 0
	40 Vic. No. 12 .....		.....	.....
	41 Vic. No. 4 .....		.....	.....
1909-10	64 Vic. No. 60 .....	.....	816,854 0 0	.....	816,854 0 0	"	32,671 3 2
	4 Ed. VII No. 8 .....	.....	.....	402,900 0 0	402,900 0 0	"	16,116 0 0
1910-11	41 Vic. No. 7	2,863,700	.....	.....	2,863,700 0 0	"	114,548 0 0
	4 Ed. VII No. 8 .....	.....	.....	1,500,000 0 0	1,500,000 0 0	3 $\frac{1}{2}$ cent.	52,500 0 0
1911-12	City of Sydney Water Works	*30,000	.....	.....	30,000 0 0	4 $\frac{1}{2}$ cent.	1,200 0 0
1912-13 (b)	56 Vic. No. 1 .....	.....	2,549,350 0 0	.....	2,549,350 0 0	"	101,974 0 0
	Municipal Council Redfern Sewerage	†30,000	.....	.....	30,000 0 0	"	1,200 0 0
	58 Vic. No. 14 .....	.....	863,947 0 0	.....	4,006,702 1 6	3 $\frac{1}{2}$ cent.	120,201 1 2
	59 Vic. No. 6 .....	.....	1,332,945 0 0	.....		
	60 Vic. No. 32 .....	.....	1,809,810 1 6	.....		
	61 Vic. No. 43 .....	.....	1,768,456 0 0	.....	1,768,456 0 0	3 $\frac{1}{2}$ cent.	61,895 19 2
1914-15	62 Vic. No. 36 .....	.....	1,500,000 0 0	.....	1,500,000 0 0	3 $\frac{1}{2}$ cent.	56,250 0 0
	64 Vic. No. 60	1,131,100	.....	.....	1,131,100 0 0	4 $\frac{1}{2}$ cent.	45,214 0 0
	1 Ed. VII No. 62	1,000,000	.....	.....	1,000,000 0 0	"	40,000 0 0
	63 Vic. No. 42 .....	.....	250,000 0 0	.....	250,000 0 0	3 $\frac{1}{2}$ cent.	8,750 0 0
	1 Ed. VII No. 62 .....	.....	1,000,000 0 0	.....	1,000,000 0 0	4 $\frac{1}{2}$ cent.	40,000 0 0
1918-19 .....	.....	.....	499,981 0 0	.....	499,981 0 0	3 $\frac{1}{2}$ cent.	17,499 6 8
	48 Vic. No. 26 .....	.....	5,609,400 0 0	.....	12,823,200 0 0	3 $\frac{1}{2}$ cent.	448,917 0 0
	52 Vic. No. 16 .....	.....	1,390,600 0 0	.....		
	54 Vic. No. 33 .....	.....	4,994,200 0 0	.....		
	57 Vic. No. 17 .....	.....	832,000 0 0	.....		
Carried forward		£ 8,305,400	25,218,243 1 6	1,906,400 0 0	35,430,043 1 6	.....	1,288,949 10 2

STATEMENT SHOWING DUE DATES, &c.—continued.

YEAR WHEN DUE.	AUTHORISING ACT.	DEBENTURES.	INSCRIBED AND FUNDED STOCK.	TREASURY BILLS.	TOTAL.	ANNUAL INTEREST.	
						Rate.	Amount.
		£	£ s. d.	£ s. d.	£ s. d.		£ s. d.
	Brought forward	8,305,400	25,218,243 1 6	1,906,400 0 0	35,430,043 1 6	.....	1,238,949 10 2
1921-2 ..	64 Vic., No. 10 .....	.....	999,810 0 0	.....	4,699,343 0 0	3½ p cent.	164,477 0 0
	2 Ed. VII, No. 93... ..	.....	199,775 0 0	.....		
	3 Ed. VII, No. 14... ..	.....	990,869 0 0	.....		
	4 Ed. VII, No. 31... ..	.....	1,999,889 0 0	.....		
1923-4	6 Ed. VII, No. 33... ..	.....	500,000 0 0	.....	1 532,114 0 0	3½ p cent.	53,623 19 10
	3 Ed. VII, No. 14... ..	.....	499,903 0 0	.....		
	6 Ed. VII, No. 39... ..	.....	1,032,211 0 0	.....		
	44 Vic., No. 28 .....	.....	6,786,700 0 0	.....		
1924-5	45 Vic., No. 22 .....	.....	1,000,000 0 0	.....	16,500,000 0 0	3½ p cent.	577,500 0 0
	46 Vic., No. 23 .....	.....	2,000,000 0 0	.....		
	48 Vic., No. 26 .....	.....	6,713,300 0 0	.....		
	58 Vic., No. 14 .....	.....	198,065 0 0	.....		
1933-4	59 Vic., No. 6 .....	.....	222,255 0 0	.....	420,320 0 0	3½ p cent.	12,609 12 0
	43 Vic., No. 11 .....	.....	5,609,000 0 0	.....		
	44 Vic., No. 12 .....	.....	1,262,000 0 0	.....		
	44 Vic., No. 28 .....	.....	315,300 0 0	.....		
1935-6	54 Vic., No. 33 .....	.....	2,027,557 0 0	.....	9,686,300 0 0	4 p cent.	387,452 0 0
	55 Vic., No. 35 .....	.....	472,443 0 0	.....		
	50 Vic., No. 28 .....	.....	2,622,600 0 0	.....		
	52 Vic., No. 17 .....	.....	2,100,000 0 0	.....		
1950-1 c	53 Vic., No. 23 .....	.....	4,144,000 0 0	.....	12,500,000 0 0	3 p cent.	375,000 0 0
	59 Vic., No. 5 .....	.....	633,400 0 0	.....		
	64 Vic., No. 10 .....	.....	3,000,000 0 0	.....		
	2 Ed. VII, No. 108 .....	.....	2,000,000 0 0	.....		
Interminable (being unrepresented balance of Debentures payable off in 1882) ..	7 Ed. VII, No. 19... ..	.....	3,000,000 0 0	.....	5,000,000 0 0	3½ p cent.	175,000 0 0
	17 Vic., No. 34	250	.....	.....	
Interminable	19 Vic., Nos. 38 & 40 ..	.....	.....	.....	250 0 0	.....	.....
Permanent	36 Vic., No. 21 .....	.....	530,189 9 2	.....	530,189 9 2	4 p cent.	21,207 11 7
Annual payment of £150,000	18 Vic., No. 40	2,700	.....	.....	2,700 0 0	5 p cent.	135 0 0
Annual payment of £100,000	59 Vic., No. 22 ... ..	.....	.....	822,446 15 10	822,446 15 10	3 p cent.	24,673 8 1
Annual payment up to £50,000 from surplus on Consolidated Revenue Fund	64 Vic., No. 18 .....	.....	.....	155,179 4 8	155,179 4 8	3 p cent.	4,655 7 6
	1 Ed. VII, No. 8 ... ..	.....	.....	236,890 0 0	236,890 0 0	3½ p cent.	8,291 3 0
1918-9 b	5 Ed. VII, No. 30... ..	.....	.....	.....	.....	.....	.....
	Advances to Settlers Loan Act of 1899.	.....	120,050 0 0	.....	120,050 0 0	3 p cent.	3,601 10 0
Total Amount Outstanding, 30th June, 1908 .....	.....	£ 8,308,350	76,206,559 10 8	3,120,916 0 6	87,635,825 11 2	.....	3,097,176 2 2

* City of Sydney Waterworks Debentures taken over by the Government.

a Overdue Bonds not yet presented.

at Government option on and after 1st July, 1930.

† Municipal Council Redfern Sewerage Works Debentures taken

b Redeemable at Government option.

c Redeemable

The Treasury, New South Wales,
Sydney, 28th July, 1908.C. G. L. BOYCE,
Comptroller of Accounts.

PUBLIC DEBT.

STATEMENT showing Distribution and Dates of Payment of Interest on Public Debt on 30th June, 1908.

Description of Stock.	Stock.		Date of Payment of Interest.	5 per cent.	4 per cent.	3½ per cent.	3¼ per cent.	3 per cent.	Total Interest.
	Amount.	Total.							
	£ s. d.	£ s. d.		£	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Debentures	1,350 0 0 2,700 0 0 6,173,200 0 0 2,000,000 0 0 131,100 0 0	8,308,350 0 0	Matured 1 Jan. and 1 July 1 Jan. and 1 July 1 Mar. and 1 Sept. 1 April and 1 Oct.	135 ..... ..... ..... .....	..... ..... 246,928 0 0 80,000 0 0 5,244 0 0	..... ..... ..... ..... .....	..... ..... ..... ..... .....	..... ..... ..... ..... .....	332,307 0 0
Inscribed Stock (in London)	5,000,000 0 0 12,826,200 0 0 16,500,000 0 0 9,686,300 0 0 12,500,000 0 0	56,512,500 0 0	1 Jan. and 1 July 1 Mar. and 1 Sept. 1 April and 1 Oct. 1 Jan. and 1 July 1 April and 1 Oct.	..... ..... ..... ..... .....	..... ..... ..... 387,452 0 0 .....	..... ..... ..... ..... .....	175,000 0 0 448,917 0 0 577,500 0 0 ..... .....	..... ..... ..... ..... 375,000 0 0	1,963,869 0 0
New South Wales Funded Stock	700 0 0 4,366,204 0 0 4,006,702 1 6 8,749,894 0 0 1,500,000 0 0	18,623,500 1 6	Matured 10 Feb. and 10 Aug.	..... .....	174,648 3 2 .....	..... .....	..... 306,246 5 8	..... 120,201 1 2	657,345 10 0
New South Wales 4 per cents. ....	.....	530,189 9 2	Quarterly— 1 Jan., 1 April, 1 July, and 1 Oct.	.....	21,207 11 7	.....	.....	.....	21,207 11 7
New South Wales 1924 Stock, 53 Vic. No. 14 .....	.....	198,065 0 0	10 Feb. and 10 Aug.	.....	.....	.....	.....	5,941 19 0	5,941 19 0
New South Wales 1925 Stock, 59 Vic. No. 6 .....	.....	222,255 0 0	10 Feb. and 10 Aug.	.....	.....	.....	.....	6,667 13 0	6,667 13 0
Treasury Bills (Deficiency 30th June, 1895), 59 Vic. No. 22 ..	.....	822,446 15 10	1 Mar. and 1 Sept.	.....	.....	.....	.....	24,673 8 1	24,673 8 1
Treasury Bills (Deficiency 30th June, 1906), 64 Vic. No. 68, and 1 Ed. VII, No. 8 .....	.....	155,179 4 8	1 Feb. and 1 Aug.	.....	.....	.....	.....	4,655 7 6	4,655 7 6
Treasury Bills (Deficiency 30th June, 1905), 5 Ed. VII, No. 30 ..	.....	236,890 0 0	1 Jan. and 1 July	.....	.....	.....	8,291 3 0	.....	8,291 3 0
Treasury Bills, 63 Vic. No. 46 .....	.....	1,500 0 0	Matured .....	.....	.....	.....	.....	.....	.....
Treasury Bills, 64 Vic. No. 10 (Darling Harbour Resump- tions).....	.....	1,000 0 0	Matured .....	.....	.....	.....	.....	.....	.....
Treasury Bills, 2 Ed. VII, No. 94 (Public Works) .....	.....	1,000 0 0	Matured .....	.....	.....	.....	.....	.....	.....
Treasury Bills, 4 Ed. VII, No. 8 (Redemption)	402,900 0 0 500,000 0 0 500,000 0 0 500,000 0 0	1,902,900 0 0	1 May and 1 Nov. 1 Feb. and 1 Aug. 1 Mar. and 1 Sept. 1 June and 1 Dec.	..... ..... ..... .....	16,116 0 0 ..... ..... .....	..... ..... ..... .....	..... 17,500 0 0 17,500 0 0 17,500 0 0	..... ..... ..... .....	68,616 0 0
Advances to Settlers, Inscribed Stock .....	.....	120,050 0 0	10 Feb. and 10 Aug.	.....	.....	.....	.....	3,601 10 0	3,601 10 0
TOTALS	£	87,635,825 11 2	.....	135	931,595 14 9	56,250 0 0	1,568,454 8 8	540,740 18 9	3,097,176 2 2

BALANCE STATEMENT
SHOWING THE LEDGER BALANCES
AND THE
DISTRIBUTION INTO CASH AND SECURITIES
ON 30TH JUNE, 1908.

BALANCE

Showing the LEDGER BALANCES on the various Accounts of the Government of New South

Reference.		HEAD OF ACCOUNT.	Dr. or Cr.	BALANCES ON 30TH JUNE, 1908.	
No.	Page.			£ s. d.	£ s. d.
1	3	Consolidated Revenue Fund Proper	Cr.	.....	1,676,924 2 3
3	49	Trust Account (details per Statement)	Cr.	.....	1,145,292 5 4
4	51	Special Deposits Account (details per Statement)	Cr.	.....	490,584 19 6
		Carried forward ... ..	£ ,	.....	£ 3,312,801 7 1

STATEMENT.

Wales on the 30th June, 1903, and the distribution of the same into Cash and Securities.

DISTRIBUTION.	CASH.	SECURITIES.	TOTAL.
£ s. d.	£ s. d.	£ s. d.	£ s. d.
Consolidated Revenue Account—			
With Bank of New South Wales ... 912,280 0 11			
With Commercial Banking Company of Sydney, Limited 239,644 1 4			
1,151,924 2 3			
Cash in hands of the Receiver ... 25,000 0 0	1,176,924 2 3	.....
With Bank of New South Wales—On Fixed Deposit 250,000 0 0			
With Commercial Banking Company of Sydney, Limited—On Fixed Deposit 250,000 0 0		500,000 0 0	
Total Consolidated Revenue Account ... £	1,176,924 2 3	500,000 0 0	1,676,924 2 3
Trust Account—			
With Bank of New South Wales ... 395,292 5 4			
With Commercial Banking Company of Sydney, Limited 50,000 0 0	445,292 5 4	.....
With Bank of New South Wales—On Fixed Deposit 350,000 0 0			
With Commercial Banking Company of Sydney, Limited—On Fixed Deposit 350,000 0 0		700,000 0 0	
Total Trust Account £	445,292 5 4	700,000 0 0	1,145,292 5 4
Special Deposits Account—			
With Bank of New South Wales ... 431,751 4 5			
With Commercial Banking Company of Sydney, Limited 26,000 8 0	457,751 12 5	.....
Treasury Chest—			
Treasury Guarantee Fund—			
New South Wales Funded Stock, 60 Vic. No. 32 ...	.....	14,500 0 0	
Miscellaneous ... ..	.....	18,333 7 1	
Total Special Deposits Account—Cash and Securities £	457,751 12 5	32,833 7 1	490,584 19 6
Carried forward £	2,079,968 0 0	1,232,833 7 1	3,312,801 7 1

Showing the LEDGER BALANCES on the various Accounts of the Government of New South

Reference.		HEAD OF ACCOUNT.	Dr. or Cr.	BALANCES ON 30TH JUNE, 1908.					
No.	Page.			£	s.	d.	£	s.	d.
		Brought forward ...					3,312,801	7	1
		Special Accounts :—							
5	64	Colonial Treasurer's Master in Equity Account ...	Cr.	71,174	5	6			
		Colonial Treasurer's Master in Lunacy Account ...	"	21,390	16	1			
		Colonial Treasurer's Curator of Intestate Estate Account ...	"	90,365	11	3			
		Colonial Treasurer's Prothonotory Account ...	"	1,451	1	8			
		Colonial Treasurer's Registrar of Probates Account ...	"	47,183	6	4			
		Total Special Accounts ...					£ 231,565	0	10
6	67	Closer Settlement Account ...	Cr.				410,004	0	10
7	73	Public Works Account ...	Cr.				744,692	2	10
							4,699,062	11	7
8	104	Less Debit Balance— General Loan Account ...	Dr.				691,931	12	11
		GRAND TOTALS...					£ 4,007,130	18	8

The Treasury, New South Wales,
Sydney, 28th July, 1908.

C. G. L. BOYCE,
Comptroller of Accounts.

Wales on the 30th June, 1908, and distribution of the same into Cash and Securities—*contd.*

DISTRIBUTION.	CASH.			SECURITIES.			TOTAL.		
	£	s.	d.	£	s.	d.	£	s.	d.
Brought forward ...	2,079,968	0	0	1,232,833	7	1	3,312,801	7	1
Special Accounts— With Bank of New South Wales— Colonial Treasurer's Master in Equity Account ...	71,174	5	6						
Colonial Treasurer's Master in Lunacy Account ...	21,390	16	1						
Colonial Treasurer's Curator of Intestate Estates Account	90,365	11	3						
Colonial Treasurer's Prothonotary Account ...	1,451	1	8						
Colonial Treasurer's Registrar of Probates Account ...	47,183	6	4						
Total Special Accounts...	231,565	0	10				231,565	0	10
Closer Settlement Account— With Commercial Banking Company of Sydney, Limited...	410,004	0	10				410,004	0	10
Public Works Account— With Bank of New South Wales ...	744,692	2	10				744,692	2	10
Total, Credit Balances—Cash and Securities	£ 3,466,229	4	6	1,232,833	7	1	4,699,062	11	7
Less Debit Balances— London Remittance Account— With Bank of New South Wales ...									
With Commercial Banking Co., Sydney, Limited ...	100,387	2	1						
	1,401,345	8	10				1,401,345	8	10
General Loan Account— With Bank of New South Wales ...	691,931	12	11				691,931	12	11
Total Debit Balances ...	2,093,277	1	9				2,093,277	1	9
Total Sydney—Net Credit Balances—Cash and Securities	£ 1,372,952	2	9	1,232,833	7	1	2,605,785	9	10
Add London Bank Account on date of latest advices, viz.:— Public Account ...									
On Deposit at short dates ...	101,345	8	10						
	1,300,000	0	0	1,401,345	8	10	1,401,345	8	10
GRAND TOTALS ...	£ 2,774,297	11	7	1,232,833	7	1	4,007,130	18	8

T. WADDELL,
Treasurer.

I HEREBY certify that the Ledger Balances above shown were, on 30th June, 1908, represented by the Cash and Securities, detailed in the foregoing Statement, allowance being made for unpresented cheques at that date.
Given under my hand, this first day of September, 1908.

JOHN VERNON,
Auditor-General.

AUDITOR-GENERAL'S REPORT, 1907-8.

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THIRTY-EIGHTH ANNUAL REPORT

OF THE

AUDITOR-GENERAL

FOR THE YEAR ENDED 30TH JUNE, 1908.

PRELIMINARY.

The wave of prosperity commented on in the Reports for the last two years, has continued. The bountiful rains received in the earlier portion of the calendar year 1908, although not coming quite so early as might have been wished, still very materially assisted in the realisation or overflow of the Treasurer's estimates of Revenue for the financial year.

As regards the financial position of the Consolidated Revenue Fund, at the close of the year 1906-7, it is thought that, perhaps, a few words on the subject, might be appropriate. By the Treasurer's Annual Accounts it will be seen that a surplus on the year's transaction is shown of £1,471,344 4s. 6d., but this sum is in no sense representative of an actual surplus on the Fund, as there was an outstanding value of Treasury Deficiency Bills which more than covered the so-called surplus, viz. £1,561,632 0s. 6d., showing that there actually was a deficit of £90,287 16s. 0d. in the Cash Accounts of the Treasurer on the closing of the financial year at 30th June, 1907.

The establishment of the **Public Works and Closer Settlement Funds**, which are almost wholly dependent upon the Revenue for their supplies, have been contributed to as under :—

PUBLIC WORKS FUND.

	£	s.	d.	£	s.	d.
In 1906-7—Two-thirds net proceeds sale of Crown Lands						
during 1905-6	368,051	1	2			
Grant in Aid	350,000	0	0			
				718,051	1	2
In 1907-8—Two-thirds net proceeds sale of Crown Lands						
during 1906-7	408,408	18	6			
Grant in Aid	650,000	0	0			
				1,058,408	18	6
Two-thirds net proceeds sales in 1907-8				346,070	0	0
				£2,122,529	19	8

CLOSER SETTLEMENT FUND.

	£	s.	d.	£	s.	d.
1906-7—Grant in Aid	200,000	0	0			
1907-8 Do	200,000	0	0			
				400,000	0	0
Total				£2,522,529	19	8

That is to say, that by the establishment of these two funds, over £2,000,000 have been advanced out of Revenue, for Public Works and Services, failing which a further issue of Loans would in all probability have been raised, involving an annual payment of at least £70,000 as interest ; besides costs of raising.

The passing of the remission of Stamp Duties during the year, and the provisions of Clause 6 of the Act, No. 8 of 1907, required the employment of some extra assistance, to deal with the unused Duty Stamps in the hands of the public, and which under the Act were to be allowed for when returned, a limit of six months' grace from the passing of the Act being granted. The Treasurer kindly discharged the account from his advance, but upon my application that the cost should be finally charged to the Department of Stamp Duties, not being a charge necessitated by Audit, disagreed, and decided that he would charge the cost as an expense of Audit. Upon this he was advised of my disagreement, and, as the charges were correct in themselves, and could not be disallowed, the Cash Statement has been certified, but, in the reprint following, the necessary alterations have been made, in accordance with my contention and Treasurer's previous decision in similar cases.

No. 1.

Dr.

No. 1.—CASH
THE TREASURER IN ACCOUNT WITH
 Account Current of Revenue, Receipts, and

Reference Page.	PARTICULARS.	AMOUNT.	TOTAL.
		£ s. d.	£ s. d.
	GOVERNMENTAL.		
	To REVENUE and RECEIPTS (1st July, 1907, to 30th June, 1908):—		
4	Balance of Revenue collected within the State by the Commonwealth Government and returned	3,591,371 6 7	
4	Taxation	1,077,534 3 1	
5	Land Revenue—		
5	Alienations	894,133 19 10	
5	Annual Revenue... ..	886,928 1 0	
		1,781,062 0 10	
7	Receipts for Services rendered (outside business undertakings of the State) ...	308,039 0 0	
9	General Miscellaneous Receipts	349,442 0 0	
			7,107,448 10 6
	To ADVANCES REPAID on account of year 1906-7, and previous years—		
10	Treasurer's Advance Account, 1902-3	3 575 19 5	
10	Do 1906-7	31,525 17 11	
			35,101 17 4
	Total, Governmental...		£ 7,142,550 7 10
	BUSINESS UNDERTAKINGS OF THE STATE.		
	To RECEIPTS from business undertakings of the State—		
	Railway Commissioners	5,975,679 10 4	
	Do other Repayments (see page 14)	2,380 0 0	
10	Sydney Harbour Trust	327,578 12 11	
10	Metropolitan Board of Water Supply and Sewerage†	504,092 2 3	
10	Hunter District Water Supply and Sewerage Board	43,584 10 2	
	Total, Business Undertakings		£ 6,853,314 15 8
	Total, Governmental and Business Undertakings		£ 13,995,865 3 6
10	To REPAYMENTS to TREASURER'S ADVANCE ACCOUNT, 1906-7, by appropriation taken in 1907-8	44,987 12 0	
10	To REPAYMENT OF ADVANCES in anticipation of Loan Votes 1907-8	324,597 14 5	
			369,585 6 5
			£ 14,365,450 9 11
	To Balance on 30th June, 1907—Brought forward		£ 1,471,344 4 6
	GRAND TOTAL		£ 15,836,794 14 5

† Includes £2,855 19s. 4d., Richmond and Wollongong Systems, and £1,896 12s. 4d., Botany Leases, not vested the Board.

ACCOUNT.
THE CONSOLIDATED REVENUE FUND.
 Expenditure for the year ended 30th June, 1908.

Cr.

Reference Page.	PARTICULARS.	Payments under Parliamentary authority.	Payments, Treasurer's Advance Vote, to be appropriated.	TOTAL.
		£ s. d.	£ s. d.	£ s. d.
	GOVERNMENTAL.			
	By EXPENDITURE on account of Departments—			
28-29	Special Appropriations	857,854 11 8		857,854 11 8
20	Schedules to the Constitution Act	40,049 14 10	63 14 0	40,113 8 10
20	Executive and Legislative... ..	29,242 6 10	222 7 10	29,464 14 8
20-22	Colonial Secretary, Labour, and Industry	1,055,096 2 9	+14,832 10 6	1,069,928 13 3
23-24	Treasurer and Secretary for Finance and Trade... ..	386,189 19 0	+11,921 4 8	398,111 3 8
24	Attorney-General and Justice	324,651 10 0	2,750 13 2	327,402 3 2
25-26	Secretary for Lands	335,391 14 9	9,425 7 10	344,817 2 7
26	Secretary for Public Works	559,958 8 5	16,326 6 0	576,284 14 5
26-27	Public Instruction... ..	1,084,894 16 8	502 9 11	1,085,397 6 7
27	Secretary for Mines and Agriculture	160,005 3 2	2,152 3 2	162,157 6 4
	By INTEREST ON PUBLIC DEBT—			
28	On Debentures, Funded Stock	£2,799,237 11 2		
28	On Treasury Bills for Public Works	123,081 0 0		
28	Do do for Darling Harbour Resum.	20,074 0 0		
		2,942,392 11 2		
	Less chargeable on Business Undertakings	2,318,516 9 4		
				623,876 1 10
28	Interest on Treasury Deficiency Bills	44,451 13 4		
23-28	Do Uninvested Funds in temporary possession of Government	50,202 18 4		
23	Do Special Deposit, Savings Bank of New South Wales	4,339 0 10		
23	Do Government Banking Account, London	30 3 8		
23	Do Compensation Money, Darling Harbour Resumptions	7,142 19 6		
	Total, Governmental	£ 5,563,377 5 7	58,196 17 1	5,621,574 2 8
	By Payment in Reduction of Public Debt—			
28	The General Sinking Fund	350,000 0 0		
28	Redemp'n of Treas'y Bills Deficiency to 30th June, 1905—Act No. 30, 1905	50,000 0 0		
29	Repayments to State Debt Commissioners under Act of 1895, 59 Vic. No. 6, on Account of Bogan Scrub Clearing	6,145 9 7		
		£ 5,969,522 15 2	*58,196 17 1	6,027,719 12 3
30	By PAYMENTS from TREASURER'S ADVANCE ACCOUNT, 1907-8, to be recovered			61,163 3 8
30	By STATE CHILDREN'S RELIEF ACT, No. 61 of 1901			4,049 15 5
	Total, Governmental and Reduction of Debt			£ 6,092,932 11 4
	BUSINESS UNDERTAKINGS OF THE STATE.			
	By EXPENDITURE ON BUSINESS UNDERTAKINGS of the State—			
	Railway Commissioners—	£ s. d.		
24-28	Working Expenses—Payments under Parliamentary authority..	3,324,359 0 0		
30	Do do Payments unauthorised in Suspense (See Statement F)	179,545 12 4		
28	Interest on Loan Capital, Railways and Tramways	1,781,152 13 3		
	Sydney Harbour Trust—		5,285,057 5 7	
23	Working Expenses—Payments under Parliamentary authority..	90,704 14 10		
35	Do do Treasurer's Advance Vote	*131 6 9		
28	Interest on Loan Capital... ..	187,907 4 7		
	Metropolitan Board of Water Supply and Sewerage—		278,743 6 2	
26	Working Expenses—Payments under Parliamentary authority..	+139,895 16 10		
28	Interest on Loan Capital... ..	331,171 19 6		
	Hunter District Water Supply and Sewerage Board—		471,067 16 4	
26	Working Expenses—Payments under Parliamentary authority..	14,720 15 10		
28	Interest on Loan Capital... ..	18,284 12 0		
			33,005 7 10	
	Total, Business Undertakings			£ 6,067,873 15 11
	Total, Governmental and Business Undertakings			£ 12,160,806 7 3
29	By APPROPRIATION in adjustment of TREASURER'S ADVANCE ACCOUNT of 1906-7			44,987 12 0
30	By PAYMENTS IN ANTICIPATION OF LOAN VOTES, 1907-8			324,597 14 5
30	By ADVANCE TO COMMONWEALTH GOVERNMENT on account of New South Wales Money Order Business			25,000 0 0
29	By Public Works Fund—Two-thirds of the net proceeds of the Sale of Crown Lands, 1906-7 (exclusive of Interest), less 20 per cent.			408,408 18 6
29	By Public Works Fund—Two-thirds of the net proceeds of the Sale of Crown Lands, 1907-8 (to the 25th June, 1908),—exclusive of Interest—less 20 per cent.			346,070 0 0
29	By Transfer to Public Works Fund—Grant in aid... ..			650,000 0 0
29	By Transfer to Closer Settlement Fund—Grant in aid			200,000 0 0
	TOTAL			£ 14,159,870 12 2
122	By Balance on 30th June, 1908—Carried forward			1,676,924 2 3
	GRAND TOTAL			£ 15,836,794 14 5

* Total Charges, Treasurer's Advance Vote, to be Voted, £58,328 8s. 10d. (see page 48). † Includes £1,101 9s. 6d., Richmond and Wollongong Systems, and £257 10s. 1d., Botany Leases, not vested in the Board. ‡ Altered as explained on page 129.

The Auditor-General is bound by the Act, (section 62) not to submit accounts in any other form than that might perhaps, show more clearly if complete Balance-sheets were compiled, one for Governmental and one for to the Public Works and Closer Settlement Funds were taken from the Governmental side or not, and in what

Dr.

SUGGESTED FORM OF CASH ACCOUNT—

Taking as a basis the

Particulars.	Amount.	Total.
£ s. d.	£ s. d.	£ s. d.
To Balance brought forward—Surplus of 1906-7 .....	.....	1,471,344 4 6
GOVERNMENTAL.		
To Balance returned by Commonwealth (11 months only)	3,591,371 6 7	
Taxation (State)	1,077,534 3 1	
Land Revenue—		
Alienation	894,133 19 10	
Annual Revenue	886,928 1 0	
	1,781,062 0 10	
Receipts for Services Rendered	308,039 0 0	
General Miscellaneous	349,442 0 0	
	7,107,448 10 6	
Advances Repaid, Previous Years .....	.....	35,101 17 4
Total, Governmental		7,142,550 7 10
BUSINESS UNDERTAKINGS.		
To Railways and Tramways	5,975,679 10 4	
Other Repayments	2,380 0 0	
	5,978,059 10 4	
Sydney Harbour Trust	327,578 12 11	
Metropolitan Board Water Supply and Sewerage	504,092 2 3	
Hunter District Water Supply and Sewerage	43,584 10 2	
	6,853,314 15 8	
Total, Business Undertakings		6,853,314 15 8
Total, Governmental and Business Undertakings		13,995,865 3 6
Grand Total		£15,467,209 8 0

prescribed by the said Audit Act, but it is suggested that the transactions on the Consolidated Revenue Fund, Business Undertakings, in order that it might be clearly distinguished whether the contributions of excess revenue proportions. The following is the specimen Statement:—

CONSOLIDATED REVENUE FUND.

Cr.

figures of 1907-8.

Particulars.	Payments under Parliamentary Authority.	Payments from Treasurer's Advance Vote to be appropriated.	Payments Unauthorised in Suspense.	Total.
£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Appropriations of 1906-7 Surplus.				
By Transfer to Public Works Fund	408,408 18 6			
Grants to Public Works Fund	650,000 0 0			
Transfer to Closer Settlement Fund	200,000 0 0			
Redemption Treasury Deficiency Bills	50,000 0 0			
	1,308,408 18 6			1,308,408 18 6
Residue of Surplus				162,935 6 0
				1,471,344 4 6
GOVERNMENTAL.				
By EXPENDITURE on account of Departments:—				
Special Appropriations	857,854 11 8			857,854 11 8
Schedules to the Constitution Act	40,049 14 10	63 14 0		40,113 8 10
Executive and Legislative	29,242 6 10	222 7 10		29,464 14 8
Colonial Secretary, Labour and Industry	1,055,096 2 9	14,832 10 6		1,069,928 13 3
Treasurer and Secretary for Finance and Trade	386,189 19 0	11,921 4 8		398,111 3 8
Attorney-General and Justice	324,651 10 0	2,750 13 2		327,402 3 2
Secretary for Lands	335,391 14 9	9,425 7 10		344,817 2 7
Secretary for Public Works	559,958 8 5	16,326 6 0		576,284 14 5
Public Instruction	1,088,944 12 1	502 9 11		1,089,447 2 0
Secretary for Mines and Agriculture	160,005 3 2	2,152 3 2		162,157 6 4
	4,837,384 3 6	58,196 17 1		4,895,581 0 7
By INTEREST ON PUBLIC DEBT (other than Business Undertakings)	623,876 1 10			
Do on Deficiency Bills	44,451 13 4			
Do on Uninvested Funds	50,202 18 4			
Do on Special Deposit (Barrack-street Bank)	4,339 0 10			
Do on Government Banking Account	30 3 8			
Do on Compensation (Darling Harbour Resumptions)	7,142 19 6			
	730,042 17 6			730,042 17 6
By Payments in reduction of Public Debt	356,145 9 7			356,145 9 7
By Transfer to Public Works Funds (two-thirds net Land Sales, &c., 1907-8)	346,070 0 0			346,070 0 0
By other Payments—				
Treasurer's Account to be recovered	61,163 3 8			61,163 3 8
Advances to Commonwealth Government				25,000 0 0
	6,330,805 14 3	58,196 17 1		6,414,002 11 4
By Balance surplus on Governmental Account				728,547 16 6
				7,142,550 7 10
BUSINESS UNDERTAKINGS.				
Railways and Tramways—				
Working Expenses	3,324,359 0 0			
Expenditure Suspense			179,545 12 4	
Interest on Loan Capital	1,781,152 13 3			
	5,105,511 13 3		179,545 12 4	5,285,057 5 7
Sydney Harbour Trust—				
Working Expenses	90,704 14 10			
Treasurer's Advance Vote		131 6 9		
Interest on Loan Capital	187,907 4 7			
	278,611 19 5	131 6 9		278,743 6 2
Metropolitan Board Water Supply and Sewerage—				
Working Expenses	139,895 16 10			
Interest on Loan Capital	331,171 19 6			
	471,067 16 4			471,067 16 4
Hunter District Water Supply and Sewerage—				
Working Expenses	14,720 15 10			
Interest on Loan Capital	18,284 12 0			
	33,005 7 10			33,005 7 10
By Balance surplus on Business undertakings	5,888,196 16 10	131 6 9	179,545 12 4	6,067,873 15 11
				785,440 19 9
				6,853,314 15 8
Total, Governmental and Business Undertakings	12,219,002 11 1	58,328 3 10	179,545 12 4	12,481,876 7 3
Surplus for the Year				1,513,988 16 3
Grand Total	13,527,411 9 7	58,328 3 10	179,545 12 4	13,700,285 5 9
Surplus, carried forward to 1908-9				1,676,924 2 3
				£15,467,209 8 0

The large surplus at the close of the previous year having been appropriated in the following way:—

	£	s.	d.
To Public Works Fund	1,058,408	18	6
Closer Settlement Fund	200,000	0	0
Redemption of Deficiency Bills	50,000	0	0
Total	£1,308,408	18	6

left an unpledged Credit Balance of £162,935 6s. only on the accounts of 1906-7, and the surplus transactions of the year 1907-8 were supplemented by this sum.

Receipts Proper.

The progress of the State Revenue during the year, and its results, show that the year might be styled phenomenal in the records of the general prosperity of the State, the decreases shown being mainly those affected by the remissions of revenue made by the Legislature.

Dealing with the returns of Customs and Excise Duties, &c., collected by the Commonwealth Government, the increase shown is that received from eleven months' collections only, and the total would have been largely increased, but for the enforcement of an Act passed by the Federal Parliament, whereby the amount of the collections during June, were wholly retained by the Federal Government.

By the operation of this Act, which in some quarters is held to be a violation of the Commonwealth Constitution, the State of New South Wales was deprived of a considerable sum, approximating £150,000. The correct figures cannot be given, as it is understood a writ has been issued against the Federal Government in the matter of the non-payment of the sum due, and, under the circumstances, no information can be ascertained as to the exact amount:—

Receipts, 1906-7 and 1907-8 compared.

Division.	Year ended—		Increase.	Decrease.
	30 June, 1907.	30 June, 1908.		
Governmental.				
Receipts returned by the Commonwealth ...	£ 3,022,351	£ 3,591,371	£ 569,020	£
Direct Taxation—				
Stamp Duties	633,567	565,242	.....	68,325
Income Tax	283,422	215,283	.....	68,139
Land Tax	345,497	178,889	.....	166,608
Licenses	118,820	118,120	.....	700
Land Revenue—				
Alienations	1,029,439	894,134	.....	135,305
Occupation—Annual Revenue	851,373	886,928	35,555	.....
Services Rendered	330,640	308,039	.....	22,601
General Miscellaneous... ..	343,851	349,442	5,591	.....
Total State Revenue	3,936,609	3,516,077	41,146	461,678
	.....	.....	.....	420,532
Total Governmental Revenue ...	6,958,960	7,107,448	148,488	.....
Business Undertakings.				
Railways and Tramways	5,596,428	5,978,060	381,632	.....
Sydney Harbour Trust	298,037	327,579	29,542	.....
Metropolitan Board of Water Supply and Sewerage	496,794	504,092	7,298	.....
Hunter District Water Supply and Sewerage Board	42,217	43,584	1,367	.....
Total Business Undertakings ...	6,433,476	6,853,315	419,839	.....
Total Revenue (Proper)	13,392,436	13,960,763	.....	.....
Net Increase ... ..	.....	.....	568,327	.....
Other Receipts (temporary)	14,108	35,102	.....	.....

In making any comparison between the receipts of the year 1906-7 with 1907-8, it must not be forgotten that the returns of the financial year, ended 30th June, 1907, were of an abnormal class, and therefore the comparison is of a very stringent character.

Dealing

Dealing with State revenue only, it will be found that there was almost a consistent record of decrease in the returns from direct taxation, this was largely, if not wholly, due to the reductions and remissions sanctioned by the Legislature during the year. But it will be found that, taking generally the Governmental side, there are reductions, and that it was only by virtue of the Business Undertakings that the State revenue, in total, showed only a small decrease.

It is, therefore, necessary that special attention should be given to this matter, so as to avoid any mistake being made as to the possibility of further reductions in taxation; but it is especially gratifying to observe, that despite certain substantial reductions in fares, the railways still retain the growing power so prominently shown during the last few years.

A summary of the results proves that—

Taxation showed a decrease of	...	...	...	...	...	£303,772
Land revenue showed a decrease of	...	...	...	...	...	99,750
Services rendered showed a decrease of	...	...	...	...	...	22,601
General miscellaneous showed an increase of	...	...	...	...	£5,591	—
A total decrease of	...	...	...	...	...	420,532
Which was nearly covered by the increase in business undertakings, of	...	...	...	...	...	419,839

Leaving a net decrease on purely State revenue, of £693

The total revenue proper was £13,960,763, and exceeded that of the previous year by £568,327.

In addition to this, there were increases in advances recovered, to a total of £20,994, which were merely recoups of expenditure made during previous years.

The total net receipts from all sources on account of Revenue, were £13,995,865.

The usual equalising entries are again shown by the Treasurer, but these do not in any way affect the result, and might be done away with by the Treasury, were authority to be obtained to adopt a proper system as is done in many other countries. (See remarks on page 192.) In my Report, as they do not affect the final result, they are not noticed.

Expenditure Proper.

The statement shows that as compared with that for the previous year, there was an increase in the expenditure proper of £216,841, which, set against the increased revenue of £568,327, would be equal to about 38 per cent.

The figures hitherto given have not in any way been affected by the grants in aid of the new Public Works Fund, or Closer Settlement Account, as these funds are altogether outside the ordinary accounts, and are merely free gifts for the construction of works, which would otherwise be constructed out of loans, if done at all.

It may be very fairly taken that the institution of the Public Works and Closer Settlement Funds has given opportunities for engaging in works and services which otherwise could not have been undertaken without increasing the Loan expenditure or Public Debt; consequently every pound so spent is an actual saving to the State, as the system entails no debt liabilities or subsequent annual interest.

It is devoutly to be hoped that Grants in Aid to these Funds will be continued, and the recurring credit from Land Sales to the Public Works Fund will not be restricted to the two-thirds of the proceeds, but will embrace the whole net amount received from alienation of the Public Estate. The importance of utilizing all receipts from Sales of the Public Estate exclusively on the assets of the State has been so often emphasized, and is so apparent, that further reference thereto seems hardly necessary; but although the wisdom of such a course is obvious, the fact cannot be too often emphasized that until the late Treasurer took the matter in hand the whole of the receipts from this source was applied to Maintenance Services of the Consolidated Revenue Fund, and thus by following this course the State was burning the candle at both ends.

The following statement will show the fluctuations in the principal Departments:—

Expenditure, 1906-7 and 1907-8 compared.

Division of Expenditure.	Year ended 30 June, 1907.	Year ended 30 June, 1908.	Increase.	Decrease.
Governmental.				
	£	£	£	£
Special Appropriations	881,987	857,855	.....	24,132
Schedules, Constitution Act	40,521	40,113	.....	408
Executive and Legislative	31,434	29,465	.....	1,969
£	953,942	927,433	.....	26,509
Colonial Secretary, Labour and Industry ...	1,004,742	1,069,928	65,186	.....
Treasurer and Secretary for Finance and Trade	417,943	398,111	.....	19,832
Attorney-General and Justice... ..	313,851	327,402	13,551	.....
Secretary for Lands	322,373	344,817	22,444	.....
Secretary for Works	757,219	576,285	.....	180,934
Public Instruction	979,839	{ 4,050 1,085,397	{ 4,050 105,558 }	.....
Secretary for Mines and Agriculture... ..	145,770	162,157	16,387	.....
£	3,941,737	{ 4,050 3,964,097	{ 4,050 223,126 }	200,766
Interest on compensation money, Darling Harbour and Rocks Resumptions	9,547	7,143	.....	2,404
Interest (other than for Business Under- takings)	897,479	722,900	.....	174,579
Sinking Funds	400,000	400,000	.....	.....
	1,307,026	1,130,043	.....	176,983
Total—Governmental	£ 6,202,705	{ 4,050 6,021,573	{ 4,050 223,126 }	404,258
Business Undertakings.				
Railways and Tramways—				
Working Expenses	3,221,145	3,503,905	282,760	.....
Interest on Loan Capital... ..	1,717,378	1,781,153	63,775	.....
Sydney Harbour Trust—				
Working Expenses	82,764	90,836	8,072	.....
Interest on Loan Capital... ..	181,531	187,907	6,376	.....
Metropolitan Board of Water Supply and Sewerage—				
Working Expenses	127,419	139,896	12,477	.....
Interest on Loan Capital... ..	317,150	331,172	14,022	.....
Hunter District Water Supply and Sewerage—				
Working Expenses	12,916	14,721	1,805	.....
Interest on Loan Capital... ..	13,648	18,284	4,636	.....
Total, Business Undertakings	5,673,951	6,067,874	393,923	.....
Total Expenditure (proper)	11,876,656	12,093,497	621,099	404,258
Net Increase ... ..	.....	.....	216,841	.....
Other Payments	36,616	92,309	.....	.....

It will be seen that there are the following differences—

Departmental Decreases, Governmental.

Decreases—

Special Appropriations...	...	...	£24,132	due to large payments in last year to Government Savings Bank, &c.
Schedules under Constitution Act	...	...	408	„ falling out of stipends or allowances.
Executive and Legislative	...	...	1,969	„ reductions in Contingencies generally and death of old officers.
Treasurer and Secretary for Finance and Trade	...	...	19,832	„ Miscellaneous Services principally.
Secretary for Public Works	...	...	180,934	„ transfer to Shires chiefly.
Interest on Public Debt	...	...	174,579	„ interest on Treasury Bills paid off chiefly.
Interest on Compensation D.H.	...	...	2,404	„ interest on Compensation dying out.
Total Decreases	...	...	£104,258	

Increases—

Under Colonial Secretary	...	...	£65,186	due to Police, Lunacy and Stores chiefly.
„ Attorney-General and Justice	...	...	13,551	„ growth of Department.
„ Secretary for Lands	...	...	22,444	„ increased surveys principally.
„ Public Instruction	...	...	105,558	„ increase of low-grade salaries and contingencies.
Do do	...	...	4,050	„ State Children's Relief Department.
„ Mines and Agriculture	...	...	16,387	„ Agriculture and subsidies principally.
			£227,176	

A net reduction in Governmental, of £177,082.

As regards the **Business Undertakings**, the increases have been very large, and represent more than a fair proportion of the increased revenue derived, in some respects, viz.:

The Railways and Tramways for an increased revenue of £381,632 showed an increased expenditure of £346,535, or 90·8 per cent. proportion of revenue.

It is, however, only fair to point out that the additional expense was largely due to an increase of £63,775 in interest on Capital; but even then the proportion of expense to Revenue for the increase is large.

The Sydney Harbour Trust, for an increased revenue of £29,542, showed an increase in cost of £14,448, or about 48·9 per cent.

The Metropolitan Board of Water Supply and Sewerage, for an increase of revenue of £7,298, appear to have spent over £26,499; but it must not be forgotten that during the year, the interest bill increased by £14,022, and reductions were made in rates by which the people profited.

The Hunter District Water Supply and Sewerage Board, for an increase in revenue of £1,367, apparently spent a sum of £6,441. It is understood that they were, during the year, burdened with largely unprofitable—because incomplete—works of sewerage. Their interest bill increased £4,636 out of the sum shown.

On the whole, the increase in expenditure on the Business Undertakings was £393,923, against which an increased revenue was received of £419,839.

In connection with the expenditure, the Railways and Tramways are debited with the sum of £179,545 12s. 4d., which was issued to them, in excess of the authorised expenditure as passed by Parliament, and for which an **Indemnity Bill** will be required.

Sums Temporarily Advanced by Treasurer.

From Advance to Treasurer, 1902-3:—						£	s.	d.	£	s.	d.
*Seed Wheat to Distressed Farmers...	...	...	...	...	...	9,787	18	10			
Fodder to Distressed Farmers	...	...	...	...	...	7,065	19	7			
									16,853	18	5
,, Advance to Treasurer, 1903-4:—											
*Seed Wheat to Distressed Farmers...	...	...	...	...	...	2,981	17	4			
Fodder do do	...	...	...	...	...	1,772	13	10			
									4,754	11	2
,, Advance to Treasurer, 1907-8:—											
Imperial Government	...	...	...	...	...	3,683	10	3			
Federal „	...	...	...	...	...	328	10	0			
Governments of other States	...	...	...	...	...	604	7	11			
Various Sources	...	...	...	...	...	9,250	14	7			
Loan Services—to be voted	...	...	...	...	...	11,490	10	4			
Public Works Fund—to be voted	...	...	...	...	...	30,779	7	8			
Closer Settlement Fund—to be voted	...	...	...	...	...	5,026	2	11			
									61,163	3	8
Total Advances Outstanding									£82,771	13	3

*See page 170 for full particulars.

REVENUE DEFICIENCY ACCOUNT.

The total outstanding of the Accumulated Deficiency to the 30th June, 1907, was £1,561,632 0s. 6d.

The statutory amounts to be paid to the State Debts Sinking Fund, mostly in aid of the redemption of this deficiency, were as under, viz. :—

Act 19 of 1904...	...	...	...	...	...	£350,000
Act 30 of 1905...	...	...	...	...	...	50,000

These sums were duly passed to the credit of the State Debt Commissioners by the Treasurer, as directed by Statute, and, in addition, the State Debt Commissioners held a sum of £47,116, which was carried over from last year, owing to the immaturity of certain bills.

The Deficiency Bills paid off and redeemed during the year were—

Under Act 59 Vic., No. 22	...	...	...	...	...	£197,116
„ „ 64 Vic., No. 68 and 1 Ed. VII, No. 8	...	...	...	...	...	100,000
„ „ 30 of 1905	...	...	...	...	...	50,000

Total Bills redeemed **£347,116**

The Deficiency Bills outstanding at the 30th June, 1908, were—

Under Act Vic. 59, No. 22	...	...	...	...	...	£822,447
„ „ Vic. No. 68, &c.	...	...	...	...	...	155,179
„ „ Vic. 30 of 1905	...	...	...	...	...	236,890

Total Bills outstanding **£1,214,516**

As against this debit, there was held by the Treasurer the sum of £1,676,924, being the surplus revenue remaining on hand after the transactions of the financial year 1907-8.

There are also statutory payments to be made in 1908-9 on this, and other Accounts of—

Statutory sums—Ordinary	...	...	...	...	£350,000
„ „ Conditional on Surplus	...	...	...	...	50,000
Interest on Bills outstanding	...	...	...	...	37,620

unless some more speedy means are adopted for wiping out the deficit.

Consolidated

Consolidated Revenue Fund.

STATEMENT I.

Section 32, Subsection 3, of Audit Act, 1902.

Statement of Unpaid Accounts rendered during the year 1907-8, which, at the close of the year, were lying in the Treasury and the various Departments of the Service :—

DEPARTMENT.	TOTAL CLAIMS TO 30TH JUNE, 1908.
	£ s. d.
Colonial Secretary	9,668 13 10
Treasury	17,337 11 9
Attorney-General and Justice	220 12 10
Works	1,933 16 6
Lands	12,124 10 10
Public Instruction	5,512 14 6
Mines and Agriculture	1,107 14 8
London Payments, May and June, subsequently brought to account in following year ...	17,610 4 5
Railways and Tramways	1,779 11 5
Harbour Trust Commissioners	1,336 0 0
Metropolitan Board of Water Supply and Sewerage	421 12 6
Total claims unpaid on 30th June, 1908	£ 69,053 3 3

STATEMENT J.

Section 32, Subsection 3, of Audit Act, 1902.

Statement of all Revenue and Receipts payable by law to the Consolidated Revenue Fund on or before the 30th day of June, 1908, which had not reached the Treasury at the close of the year :—

COLLECTING OFFICER.	AMOUNT ON 30TH JUNE, 1908.
	£ s. d.
In Suspense Account at Treasury	657 9 9
Commissioners of Taxation	42,978 6 5
Estimated Arrears of Land Revenue	133,600 0 0
Clerks of Petty Sessions, Crown Land Agents, and Mining Registrars, &c.	28,948 1 5
London Receipts, May and June, subsequently brought to account in following year ...	18,359 2 10
Federal Government	62,582 0 0
Railway Commissioners	39,900 7 5
Harbour Trust Commissioners	10,054 0 0
Metropolitan Board of Water Supply and Sewerage	5,011 1 3
Hunter District Water Supply and Sewerage Board	71 2 0
Country Towns Water Supply Works, out- standing Interest	25,069 14 2
Country Towns Sewerage Works, outstand- ing Interest	1,580 1 8
Water and Drainage Trust Accounts, out- standing Interest	73 17 6
Total Revenue and Receipts	£ 368,885 4 5
Per Statement J	368,885 4 5
Per Statement I	69,053 3 3
Net Receipts Consolidated Revenue Fund not brought to account on 30th June, 1908	£ 299,832 1 2

The total of each of the above collateral statements does not in any way influence the Revenue Surplus given in the Cash Statement on page 131. That marked I, as the heading shows, gives the amount of claims rendered and awaiting payment at the Treasury and the various Departments, whilst the total of Statement J represents the volume of cash in the hands of the collecting officers and others throughout the State, which could not be transmitted to the Treasury in time to be included in the Receipts of 1907-8.

No. 3.

Trust Account.

STATEMENT of DEPOSITS and RE-ISSUES in the Year ended 30th June, 1908.

ACCOUNT.	BALANCES ON 30TH JUNE, 1907.	DEPOSITS IN THE YEAR ENDED 30TH JUNE, 1908.	TOTAL.	RE-ISSUES IN THE YEAR ENDED 30TH JUNE, 1908.	BALANCES ON 30TH JUNE, 1908.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Government Savings Bank Account, Act No. 48, 1906	1,126,965 12 5	30,017 16 2	1,156,983 8 7	11,691 3 3	1,145,292 5 4
Totals.....	£ 1,126,965 12 5	30,017 16 2	1,156,983 8 7	11,691 3 3	*1,145,292 5 4

* See page 122.

As stated in last Report, the Account is limited to the transactions with the Government Savings Bank of New South Wales, which institution is now placed under a Board of three Commissioners, and removed from all Government interference ; but provision has been made in the Constitution of the Bank for the examination and audit of the Accounts of the Commissioners to be made annually by the Auditor-General or at any other times that he may think fit.

The transactions with the Treasurer were very small indeed during the year under review, and were limited to fresh deposits amounting to £30,017 16s. 2d., against which re-issues of £11,691 3s. 3d. were made, thus leaving a balance due by the Treasurer to the Bank of £1,145,292 5s. 4d.

The Government Savings Bank will be treated further on. (See page 164).

No. 4.

SPECIAL DEPOSITS ACCOUNT.

STATEMENT of DEPOSITS and RE-ISSUES in the Year ended 30th June, 1908.

ACCOUNTS.	Balances on 30th June, 1907.			DEPOSITS IN THE YEAR ENDED 30TH JUNE, 1908.			Total.			RE-ISSUES IN THE YEAR ENDED 30TH JUNE, 1908.			Balances on 30th June, 1908.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Crown Leases Security Deposit Account ...	2,475	0	0	150	0	0	2,625	0	0	.....	.....	.....	2,625	0	0
Fixed Deposits Account.....	181,425	0	0	.....	.....	.....	181,425	0	0	161,125	0	0	20,300	0	0
Municipal Council of Sydney—															
Moore-street Improvement Loan Sinking															
Fund.....	1,749	16	1	740	13	3	2,490	9	4	.....	.....	.....	2,490	9	4
Public Markets Loan Sinking Fund	13,747	1	4	1,349	16	0	15,096	17	4	.....	.....	.....	15,096	17	4
1901 City Loan Sinking Fund.....	4,072	1	11	295	8	3	4,367	10	2	.....	.....	.....	4,367	10	2
1903 Streets Loan Sinking Fund.....	6,302	17	0	369	17	5	6,672	14	5	.....	.....	.....	6,672	14	5
1905 Streets Loan Sinking Fund.....	.....	.....	.....	549	0	0	549	0	0	.....	.....	.....	549	0	0
Electric Light Loan Sinking Fund.....	3,406	0	9	248	6	2	3,654	6	11	.....	.....	.....	3,654	6	11
Realisation of Stock Sinking Fund	494	0	0	1,061	6	10	1,555	6	10	.....	.....	.....	1,555	6	10
Resumptions Sinking Fund.....	686	0	0	905	2	9	1,591	2	9	.....	.....	.....	1,591	2	9
Public Service Assurance Account (Act 31 of 1902)	792	4	3	174	9	2	966	13	5	14	6	7	952	6	10
Savings Bank of New South Wales—Deposit Account	250,000	0	0	.....	.....	.....	250,000	0	0	250,000	0	0	.....	.....	.....
Treasury Guarantee Fund	17,777	0	2	938	12	0	18,715	12	2	121	7	11	18,594	4	3
State Debt Commissioners' Deposit Account	5,986	12	7	7,593	13	10	13,580	6	5	13,531	11	5	48	15	0
State Debt Commissioners' Trust Accounts (4 Ed. VII No. 19)—															
Municipal Council of Sydney Sinking Fund (50 Vic. No. 13)	63,010	6	8	3,958	9	7	66,968	16	3	.....	.....	.....	66,968	16	3
Testamentary and Trust Fund (Per- petual and Permanent Trustee Companies Acts)	474	1	1	300	8	1	774	9	2	.....	.....	.....	774	9	2
Bankruptcy Estates Account (Act No. 25 of 1898)	8,000	0	0	.....	.....	.....	8,000	0	0	.....	.....	.....	8,000	0	0
Bankruptcy Suitors Fund (Act No. 25 of 1898)	2,260	11	6	261	8	9	2,522	0	3	164	2	5	2,357	17	10
Bankruptcy Unclaimed Dividend Fund (Act No. 25 of 1898)	3,694	5	4	1,203	17	0	4,898	2	4	18	10	9	4,879	11	7
Seamen's Wages	58	9	6	110	5	11	168	15	5	123	11	10	45	3	7
Trust Moneys (20 Vic. No. 11). (For details, see page 50)	286	3	10	2,874	15	6	3,160	19	4	905	13	5	2,255	5	11
Unclaimed Moneys	8,757	16	9	6,663	12	7	15,421	9	4	12,150	4	7	3,271	4	9
Blockholders' Loan Fund (Act No. 69 of 1901)	1,714	8	0	190	8	0	1,904	16	0	.....	.....	.....	1,904	16	0
Centenary Park Land Sales Account (Act No. 23 of 1904) .....	.....	.....	.....	17,377	17	9	17,377	17	9	16,946	18	6	430	19	3
Hunter District Water Supply and Sewerage Board—Store Advance Account.....	1,041	17	2	8,152	4	8	9,194	1	10	6,660	10	5	2,533	11	5
Hunter District Water Supply and Sewerage Board—Deferred Payments Account ...	315	15	9	4,361	18	4	4,677	14	1	507	16	11	4,169	17	2
Imperial Pensions Account	782	11	6	12,828	8	3	13,610	19	9	13,610	17	11	0	1	10
Police Superannuation and Reward Fund (Act No. 28 of 1906). (For details, see pages 53 to 63).....	10,198	3	10	45,428	14	8	55,626	18	6	50,876	8	9	4,750	9	9
Poundage	1,912	17	0	5	14	2	1,918	11	2	567	19	6	1,350	11	8
Public Works Department—Security Deposit Trust Account.....	10,668	14	8	36,648	12	2	47,317	6	10	33,496	15	0	13,820	11	10
Public Works Department—Services of Other Departments—Advance Account...	1,959	19	9	17,601	10	2	19,561	9	11	16,386	9	1	3,175	0	10
Public Works Department—Store Advance Account	54,369	12	9	172,009	0	1	226,378	12	10	141,603	5	2	84,775	7	8
Railway Store Account	230,736	6	10	1,404,252	2	10	1,634,988	9	8	1,548,112	2	1	86,876	7	7
Revenue Suspense Account	15,302	8	8	277,298	15	8	292,601	4	4	287,788	16	9	4,812	7	7
Sewerage Contractors' Advance Account ...	3,468	17	3	1,010	8	3	4,479	5	6	821	5	3	3,658	0	3
Tender Board Deposit Trust Account.....	5,690	14	6	12,649	15	10	18,340	10	4	12,739	15	8	5,600	14	8
Unclaimed Salaries and Wages Account	1,466	6	0	877	0	3	2,343	6	3	1,753	7	11	589	18	4
Water Supply and Sewerage Board—Store Advance Account	10,654	5	0	22,819	1	0	33,473	6	0	28,917	14	9	4,555	11	3
Water Supply and Sewerage Board—Trust Account	1,000	0	0	.....	.....	.....	1,000	0	0	.....	.....	.....	1,000	0	0
Water and Drainage Loan Redemption Fund.....	412	2	8	969	14	9	1,381	17	5	5	4	0	1,376	13	5
Sundry Deposits Account	83,524	13	11	265,140	2	7	348,664	16	6	250,511	0	5	98,153	16	1
Totals	£ 1,010,675	4	0	2,329,370	12	6	3,340,045	16	6	2,849,460	17	0	*490,584	19	6

* See page 122.

The total balance remaining at the credit of these accounts on the 30th June, 1907, was £1,010,675 4s. 0d.; it was reduced during the year to £490,584 19s. 6d., or £520,090 less than the previous year. **This was caused**, principally, by withdrawals in funds as mentioned below, viz.,

Fixed Deposits ...	£161,125	0	0
Barrack Street Deposits ...	250,000	0	0
Government Working Accounts ...	150,000	0	0

which, with the ordinary fluctuations in this class of accounts, reduced the balance, as shown.

The

The balance as it stood on June 30th last includes—

				£					£
Fixed Deposits	...	...	...	20,300	State Debt Commissioners Account	88,601			
Departmental Stores Advances and Securities	230,384				Municipal Sinking Funds	...	...	35,977	
Suspense Accounts, Pensions, and Sundries...	115,322								

No. 5.—SPECIAL ACCOUNTS.

STATEMENT of RECEIPTS and PAYMENTS in the Year ended 30th June, 1908.

ACCOUNTS.	BALANCES ON 30TH JUNE, 1907.			RECEIPTS IN THE YEAR ENDED 30TH JUNE, 1908.			TOTAL.			PAYMENTS IN THE YEAR ENDED 30TH JUNE, 1908.			Balances on 30th June, 1908.		
Colonial Treasurer's—	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Master in Equity Account	46,047	10	8	147,671	12	0	193,719	2	8	122,544	17	2	71,174	5	6
Master in Lunacy Account	25,949	8	4	67,369	2	10	93,318	11	2	71,927	15	1	21,390	16	1
Curator of Intestate Estates Account ...	98,247	16	9	53,223	10	5	151,471	7	2	61,105	15	11	90,365	11	3
Prothonotary Account	1,243	2	8	4,741	1	1	5,984	3	9	4,533	2	1	1,451	1	8
Registrar in Bankruptcy Account.....	601	2	0	1	11	9	602	13	9	602	13	9	.....	
Registrar of Probates Account	49,935	7	0	6,630	15	11	56,596	2	11	9,412	16	7	47,183	6	4
TOTALS	£	222,024	7 5	279,667	14 0	0	501,692	1 5	5	270,127	0 7	7	*231,565	0 10	10

* See page 124.

The total credit of £231,565 0s. 10d. represents the Supreme Court moneys used in the working of the Treasurer's General Banking Account. These Funds are controlled by the Officers of the Supreme Court, and therefore cannot be operated upon by the Treasurer, they simply constitute a factor in the economical working of the aforementioned Bank Account and as such are used as a cover (for interest purposes only) to any overdrafts on the accounts proper of the Treasurer.

In the scheme of reforms introduced three years ago the volume of these funds was reduced to an amount commensurate with current requirements, the aggregate amount being reduced to about quarter of a million against some £350,000 in former years. Concurrent with the reduction of principal the interest allowed on the daily balance by the Treasurer was reduced from a general rate of 3 per cent. to 2 per cent. on the Probate and Intestate Accounts, and to the low rate of 1 per cent. on the Equity and Lunacy Accounts. The aggregate cash credit of the Supreme Court Moneys at the Treasury at close of each year was :—

1903-4	...	...	£335,005	1906-7	...	...	£222,024
1904-5	...	...	348,825	1907-8	...	...	231,565
1905-6	...	...	311,931				

No. 6.—CLOSER SETTLEMENT ACCOUNT.

ACCOUNT CURRENT of RECEIPTS and DISBURSEMENTS in the Year ended 30th June, 1908.

Dr.

Cr.

PARTICULARS OF RECEIPTS.		Amount.	Total.	PARTICULARS OF DISBURSEMENTS.		Amount.	Total.
		£ s. d.	£ s. d.			£ s. d.	£ s. d.
To Receipts :—				By Payments :—			
Fees under Real Property Act...	.....		10,357 2 8	Under Real Property Act	...	72 19 0	.....
Transfer from Consolidated Revenue Fund—Grant in aid...	..	.....	200,000 0 0	Contingent Expenses in connection with the acquisition of Land for the purposes of Closer Settlement (Gobbagombalin Settlement).....		261 9 4	.....
„ Receipts under Closer Settlement Acts—				Cost of subdivision, &c., in connection with Lands acquired (Section 7, Subsection 1).....		30 3 8	.....
On account of Myall Creek Settlement	6,861 16 0			Recoup to the Consolidated Revenue Fund of Interest charged on Loan raised (Section 7, Subsection 2).....		5,228 0 0	.....
On account of Gobbagombalin Settlement	116 11 0		6,978 7 0				5,592 12 0
„ Repayments to Cr. Closer Settlement Vote, 1906-7—				Total	.....		5,592 12 0
On account of Marrar Settlement	.....		4 14 10	By Balance on 30th June, 1908—			
				carried forward	.....		*410,004 0 10
Total	.....		217,340 4 6	TOTAL	.....		415,596 12 10
To Balance on 30th June, 1907, brought forward	.....		198,256 8 4				
TOTAL	.....		415,596 12 10				

* See page 124.

The Closer Settlement Account has not been very busily operated on during the year.

The Receipts were—

	£	s.	d.
1. Fees under Real Property Act	10,357	2	8
2. Grant from Revenue for 1906-7	200,000	0	0
3. Receipts from Settlers	6,978	7	0
4. Repayment to credit	4	14	10

£217,340 4 6

Which, with the balance brought from last year ... 198,256 8 4

Made a total of £415,596 12 10

Against this were drawn Payments for:—

Real Property Act	72	19	0
Contingent Expenses in acquisition of land... ..	261	9	4
Cost of subdivision	30	3	8
Recoup of Interest to Loans	5,228	0	0

Total Payments £5,592 12 0

Thus leaving a Balance carried forward for expenditure in 1908-9 of £410,004 0 10

To which will, it is presumed, be added from Surplus Revenue ... 200,000 0 0

Providing in all a total sum for expenditure during 1908-9 of ... £610,004 0 10

In addition to the expenditure quoted, there was the sum of £5,212 9s. 9d. for Salaries and Contingencies of Chairman, Members, and Staff, of Advisory Boards, expended out of the Treasurer's Advance Account during 1907-8.

This is shown in the Cash Account under the expenses of the Department of Lands.

(See subject treated more fully on page 157.)

PUBLIC WORKS ACCOUNT.

It will be observed that this Account has been very liberally endowed during the year from Revenue, and that the expenditure has also totalled nearly a million pounds.

The Receipts have been:—

	£	s.	d.
From Revenue—Two-thirds net proceeds of Land			
Sales in 1906-7	408,408	18	6
Do do do do 1907-8	346,070	0	0
Do Grants in aid	650,000	0	0
Do Net Proceeds of separate Sale ...	241	14	6

£1,404,720 3 0

Which, with the balance from last year ... 292,624 6 6

Made a total sum available for expenditure of ... £1,697,344 19 6

Against which payments were made—

For Public Works and Services	£966,818	12	8
Less Repayments to credit Receipts returned ...	14,165	16	0

Net Expenditure £952,652 16 8

Which left a balance to be carried forward for use in 1908-9, of ... £744,692 2 10

For fuller remarks on this account, its usefulness and otherwise see pages 156 and 181.

AUDITOR-GENERAL'S REPORT, 1907-8.

No. 7.—PUBLIC WORKS ACCOUNT—1907-8.
SUMMARY OF TREASURER'S STATEMENT, PAGES 70-73.

	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
To Balance from 30th June, 1907				292,624	6	6	By Grants for various purposes :—						
„ Transfer from Consolidated Revenue Fund							Aid to Shires and Municipalities	78,085	13	11			
—two-thirds net proceeds Sale of Crown							„ Fire Brigades	10,232	0	3			
Lands in 1906-7—exclusive of interest—							„ Hospitals	18,707	7	6			
less 20 per cent., under Act No. 9, 1906 ..	408,403	18	6				„ Royal Naval House	2,998	13	10			
„ Transfer from Consolidated Revenue Fund							Purchase of Residence for State Governor..				110,023	15	6
—two-thirds net proceeds Sale of Crown							Improvements, Centennial Park				22,500	0	0
Lands in 1907-8—exclusive of interest—							Buildings, Lord Howe Island				1,388	8	0
less 20 per cent., under Act No. 9, 1906 ..	346,070	0	0				Fisheries Department—Oil Launch, &c. ..				164	1	6
„ Grant in aid, from Consolidated Revenue							Land, Newington Asylum				488	0	3
Fund							Extra Machinery, &c., Government Printing				924	19	0
„ Net proceeds sale land under Section 4,							Office				5,914	18	1
Public Instruction Act of 1880							Improvements, Powder Magazine, &c.....				2,554	1	2
„ Repayments to credit of Votes							Erection Houses, &c.—Resumed Properties				13,498	17	8
							Lifeboats, &c., Navigation Department ..				1,165	0	0
							Promenade, Newcastle Sea Front				1,000	0	0
							Railways and { £18,962 0 8 Railways and						
							Tramways { £4,679 16 3 Public Works }				23,641	16	11
							Roads of Access, Purchase Parks, Land for						
							Roads, &c.				20,262	14	5
							Purchase Wire Netting—Pastures Protection				40,339	16	7
							Act				6,265	1	5
							Pilliga Scrub—Surveying, Clearing, &c....						
							Public Works, Roads, Bridges, Conservation				527,510	17	7
							Water, &c.						
							Country Sewerage and Storm-water				18,920	2	5
							Channels, &c.				44,603	16	11
							Country Towns Water Supply				15,309	8	11
							Water Supply and Sewerage, Sydney						
							Water Supply and Sewerage, Hunter				4,000	0	0
							District						
							Public Instruction—Building and				93,977	2	2
							Equipments				540	9	9
							Land Resumed for Mining Purposes				11,825	4	5
							Promotion of Agriculture						
In Adjustment of Vote, Advance to Treasurer,											966,818	12	8
1906-7							In Adjustment of Vote, Advance to Treasurer,				6,080	19	9
							1906-7						
											972,899	12	5
							In Balance on 30th June, 1908				744,692	2	10
							Total				£ 1,717,591	15	3

No. 8.—GENERAL LOAN ACCOUNT—1907-8.
SUMMARY OF TREASURER'S STATEMENT, PAGES 82-105.

Dr.	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.	Cr.
To Balance brought forward ...				557,025	11	3	By Net Expenditure, 1st July,							
„ Proceeds of Sale of Funded							1907, to 30th June, 1908—							
Stock, issued under Act 64							„ Railways and Tramways ...	1,363,313	17	0				
Vic. No. 10—Darling Har-							„ Public Buildings and Sites ..	90,273	10	6				
bour Wharves Resumption							„ Water Supply and Sewerage	336,143	9	7				
Act of 1900 (1921 Stock), in							„ Water Conservation, Artesian							
Sydney	326,122	12	1				Boring, &c.....	34,675	11	7				
„ Proceeds of Sale of Funded							„ Roads and Bridges	2,361	0	1				
Stock, under Act 3 Ed. VII							„ Darling Harbour Resump-							
No. 14 (1921 Stock), in							tions.....	51,439	11	4				
Sydney	997,869	0	0				„ Sydney Harbour Trust	90,163	13	11				
„ Proceeds of Sale of Funded														
Stock, under Act 3 Ed. VII														
No. 14 (1923 Stock), in														
Sydney ...	497,503	0	0											
„ Proceeds of Sale of Funded														
Stock, under Act 4 Ed. VII														
No. 31 (1921 Stock), in														
Sydney	484,566	6	11											
„ Proceeds of Sale of Funded														
Stock, under Act 6 Ed. VII														
No. 39 (1923 Stock), in Sydney														
	1,027,911	0	0											
„ Proceeds of Sale of Inscribed														
Stock, issued under Act 7														
Ed. VII No. 19 (1950 Stock)														
in London—first instalment														
	1,000,000	0	0				Less—Net Credit—							
							Harbours and Rivers	3,041	10	10				
							Total Expenditure on State							
							Works				1,965,329	3	2	
							By Renewal of Loans				200,100	0	0	
„ Balance—Overdraft, 30th June, 1908							„ Retirement of Treasury Bills				3,417,500	0	0	
											£ 5,582,929	3	2	

Receipts.

The proceeds of the Stock credited during the year totalled £4,333,510, which were credited to the General Loan Account, with a sum of £461 19s. transferred from Loan Suspense Account as a balance of amounts deducted from Sales in previous years for payment of brokerage, which was not required, making a total credit of £4,333,971 19s.

The Liability incurred, being face value of Loans, was £6,342,710, of which £2,000,000 had not been brought to account at the close of the year, pending advices from the Agent-General.

The Loss in raising these Loans (exclusive of £3,000,000, under 7 Ed. VII, No. 19, of which no details are yet to hand) was £9,200, which was reduced by the above sum of £461 19s. transferred from Suspense Account to Loans, making the actual difference between the face value of Loans and proceeds, as brought to account, of £8,738 1s. The costs of raising so far as brought to account, were for brokerage only.

The rate at which these loans were floated was at par, and the expenses of raising cannot be given, as information has not yet been received.

Expenditure.

The expenditure on works belonging to the State was £1,965,329 3s. 2d., and on renewals and redemptions, £3,617,600, in all £5,582,929 3s. 2d.

This sum was provided for by the following items:—

Balance brought from last year	...	...	...	...	...	£557,025	11	3
Proceeds of loans raised during the year	...	...	...	...	...	4,333,971	19	0
Total credit	...	...	...	...	...	£4,890,997	10	3
Overdraft at 30th June	...	...	...	...	...	691,931	12	11
Total	...	...	...	...	...	£5,582,929	3	2

Dividing the total expended, as in previous reports, approximately under the head of reproductive, partially reproductive, and unproductive, the following are the results:—

Reproductive—

Railways and Tramways	...	...	...	...	...	£1,363,313	17	0
Water Supply and Sewerage	...	...	...	...	...	336,143	9	7
Darling Harbour Resumptions	...	...	...	...	...	51,439	11	4
Sydney Harbour Trust	...	...	...	...	...	90,163	13	11
Total Reproductive works	...	...	...	...	...	£1,841,060	11	10

Partially reproductive—

Water Conservation	...	...	...	...	...	£34,675	11	7
Roads and Bridges	...	...	...	...	...	2,361	0	1
Total Partially Reproductive	...	...	...	...	...	£37,036	11	8

**Unproductive—*

Public Buildings and Sites	90,273	10	6
----------------------------	-----	-----	-----	-----	-----	--------	----	---

						£1,968,370	14	0
Harbours and Rivers (net credit) being an excess of receipts over expenditure	...					3,041	10	10

Total State works	...	...	...	...	...	£1,965,329	3	2
Renewals of Matured Loans	...	...	...	...	...	£200,100	0	0
Retirement of Treasury Bills	...	...	...	...	...	3,417,500	0	0
						3,617,600	0	0

Net total expended during the year... **£5,582,929 3 2**

“ ROCKS ”

* See qualifying note, page 152.

"ROCKS" RESUMPTIONS.

The claims paid to 30th June, 1908, from Loan Account, for compensation on properties resumed in the above area, amounted to £1,089,294. The law costs paid from the same account cannot be ascertained until the Capital Accounts of the Sydney Harbour Trust and the above Resumptions (now under investigation) have been determined, and the proportionate charges are allocated.

Certain properties have been disposed of, and others demolished, the proceeds from which, credited or in course of being credited, to Loan Account, amounted to £16,913, thus reducing the expenditure from Loans on the properties, to £1,072,381 (*exclusive of law costs*), involving a charge for interest of £39,163 7s. 0d. for the year.

The Revenue for the year from all sources, was as follows:—

	£	s.	d.	£	s.	d.
Rents and Sundries	45,832	6	5			
Rental value of Properties occupied by Government Departments	1,325	0	0			
				47,157	6	5

Whilst the Expenditure was:—

Salaries and other Expenses of Manage- ment, Rates, Insurance, Refund of Rent, &c.	8,858	9	3			
Repairs, &c.	6,429	18	4			
Interest, as above, on Loan Expenditure ...	39,163	7	0			
				54,451	14	7

Which shows a Loss on the year's operations, of **£7,294 8 2**

This conclusion is arrived at on **Loan Expenditure only**, but if the whole ascertained expenditure from all funds, on the resumptions, and for new buildings, be charged with interest at the rate payable on the Public Debt, the loss from a business point of view would be **£12,665**, thus:—

	£	s.	d.
Compensation paid from Loan Account	1,089,294	0	0
Law Costs (estimated) do	10,000	0	0
Claims unsettled, chargeable to Loan Account	12,755	0	0
Interest paid on claims for compensation—from Consolidated Revenue	101,718	0	0
Building Workmen's Homes, Windmill-street—Public Works Fund	13,590	17	0
Do do Upper Fort-street—do	8,036	19	2
Do New Wall, Windmill-street—Public Works Fund ...	982	16	9
	1,236,377	12	11
Less—Repayments on account of sales of property and old material	16,913	0	0
Total	£1,219,464	12	11

Expenditure for the year, on management, maintenance, repairs, &c.	£15,288	7	7
Interest on above sum	44,534	17	2
	59,823	4	9
Revenue from all sources	47,157	6	5
Loss	£12,665	13	4

The **Receipts** for the year showed an excess of £1,230, attributable to the rents of new buildings. The expenditure was less by the sum of £1,413.

The arrears of Rent outstanding at 30th June were:—

Due by late owners of resumed properties, to be collected on adjustment of claims	£2,444	14	9
Special accounts in course of recovery	264	5	0
Good, doubtful, and bad debts	2,554	1	4
Total	£5,263	1	1

In last year's report, attention was drawn to the need for careful management of these properties; and as the position of manager is still but temporarily filled, the remarks then made apply with equal force under present circumstances, in view of the financial results set out in the foregoing statement.

SUMMARY OF TREASURER'S STATEMENT.
Balances on the various Accounts, on the 30th June, 1908.
(Pages 122-5.)

HEAD OF ACCOUNT.	BALANCE, 30TH JUNE, 1908.	DISTRIBUTION OF BALANCES.		
		CASH.	SECURITIES.	TOTAL.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Consolidated Revenue Fund	1,676,924 2 3	1,176,924 2 3	*500,000 0 0	1,676,924 2 3
Trust Account	1,145,292 5 4	445,292 5 4	*700,000 0 0	1,145,292 5 4
Special Deposits Account	490,584 19 6	457,751 12 5	32,833 7 1	490,584 19 6
Special Accounts	231,565 0 10	231,565 0 10	.....	231,565 0 10
Closer Settlement Account	410,004 0 10	410,004 0 10	.....	410,004 0 10
Public Works Account	744,692 2 10	744,692 2 10	.....	744,692 2 10
	4,699,062 11 7	3,466,229 4 6	1,232,833 7 1	4,699,062 11 7
Less—Debit Balance :—				
General Loan Account	691,931 12 11	691,931 12 11	.....	691,931 12 11
	£ 4,007,130 18 8	2,774,297 11 7	1,232,833 7 1	4,007,130 18 8

* At fixed deposit.

The statement shows the distribution of the Balances on the 30th June, 1908.

Reduced to its actual standing in Cash and Securities, it shows that the Treasurer held—

Cash in hand at Bank, &c. :—	£ s. d.	£ s. d.
In Sydney	1,372,952 2 9	
In London	1,401,345 8 10	
Total Cash in hand		2,774,297 11 7
On Fixed Deposit in Banks	1,200,000 0 0	
In Treasury Chest Securities	32,833 7 1	
		£1,232,833 7 1
		£4,007,130 18 8

As regards the Securities represented by above statements to be in the custody of the Treasurer, they have been carefully checked, examined, and certified by my officers to agree in description and amount with the statement shown.

They stand as hereunder, viz. :—

	£ s. d.
In Treasury Chest—Fixed Deposit Receipts	1,200,000 0 0
„ Penrith Municipal Council Debentures... ..	13,000 0 0
„ English Scottish and Australian Stock, Wollongong Harbour Trust	5,180 0 0
„ Trustees for late John Hamilton, A.B.	153 7 1
„ Treasury Guarantee Fund	14,500 0 0
Total	£1,232,833 7 1

PART II.

General Effect of the Transactions and Condition of the Accounts at the Close of the Financial Year 1907-8.

The Government Accounts may now be said to be stripped of all the superfluous cash, which was some years since held by them. The cash having been deposited with the Treasurer for safe keeping, necessarily became part of his accounts, thus swelling the balance of the General Banking Account beyond ordinary requirements. This apparent abundance of money at the Bank carried with it a liability to misuse of the Government Funds, and to engagements being entered into which, however good in themselves, would not, in all likelihood, have been indorsed, or entered upon, had there not been a plethora of surplus funds standing at the Treasurer's credit, leading the public to believe that the Government resources were in a healthy condition.

The late Treasurer, however, clearly recognised the danger of the position, and took such action in Parliament, and outside, **as relieved the situation and placed the finances of the country on a much safer and more satisfactory basis, insisting at the same time on the strictest economy in the conduct of the business.**

The savings effected, and the measures taken for the improvement and maintenance of the finances, were to some extent noticed, and reported upon in last Report, and therefore need no elaboration here, beyond the statement, **that the reforms then made are still adhered to.**

CONSOLIDATED REVENUE FUND.

The Consolidated Revenue was considerably helped (from a Treasury point of view) by the increased returns from the Commonwealth, caused largely by the introduction of an amended tariff—but no doubt improved very considerably, by the flourishing condition of business generally.

The figures shown previously (see page 134) will prove that the amounts returned by the Federal Government, came to £3,591,371 or £569,020 more than in the year 1906-7.

While this is a wonderful increase, it shows out even more clearly, when it is remembered, that it represents the returns on account of eleven months only, the Federal Parliament having passed an Act under which the balance, which should have been returned to the State under the provisions of the Constitution Act, was intercepted by the Federal Treasurer and held.

As it is understood that the question as to the legality or otherwise (of the course adopted) is now under course of trial, further comment cannot here be made.

As, however, it is certain that after, if not before, July, 1909, the Federal authorities will undertake the payment of State pensions, and that after December, 1910, the Federal Parliament will have the power to say definitely what returns, if any, will be made to the States out of the collections on account of Customs and Excise, **it is practically a foregone conclusion that this State will have to do with considerably less than it has hitherto been receiving.**

Hence it appears to me, it would have shown a wise forethought, had arrangements been made to obtain the authority of an Act of Parliament, which would have enabled the Government to wipe out at once the balance of the Deficiency Account, which has now stained the record of our finances for over twenty years.

As it is shown, the surplus at the 30th June, 1908, amounted to £1,676,924 2s. 3d., and the balance outstanding, of Deficiency Bills at the same date, being only £1,214,516 0s. 6d., the full liquidation of the deficiency might have been arranged for, leaving still a credit of £462,408 1s. 9d. **as a true surplus on the Consolidated Revenue Fund, after all deficiency debts were paid.**

Coming to the Revenue collected by the State Government, we find that the Governmental **shows on the whole a reduction**, as compared with the collections of the previous year, of £420,532. The causes of this decrease were, principally, the remissions of taxation passed by Parliament, thus there were decreases in

in the amount derived from Stamps, Land and Income Tax, to the extent of £303,072, also a reduction in the amount derived from sales of land of £135,305, with a decrease of £22,601 in services rendered (probably due to loss of school fees), and licenses, £700, in all £461,678. There were, however, increases in the amounts derived from Annual Land Revenue of £35,555 and in General Miscellaneous of £5,591, which, with the decreases shown above, brought out the total before mentioned.

In the Business Undertakings the receipts exceeded those of last year by £419,839, the major portion of which, £381,632, was contributed by the Railways and Tramways.

Including all collections received by the State, there is shown an increase of £568,327 as compared with last year. It will be seen that the improvements in financing our resources have continued to yield good results. In last year's report attention was drawn, to the danger which existed, of overstepping the bounds of safety, under the encouragement given by such flowing revenues as have been the rule for the last few years, a danger which is peculiarly evident when the liabilities of the next few years are considered.

It is more important than ever that extreme care should be taken in financing. There are signs of the State having reached its maximum, and being threatened with less prosperous years in the future; hence every care should be taken by the authorities to prevent needless expense in administration, and most particularly to conserve the loan moneys, and not allow expenditure to be incurred on lines that do not warrant an expectation of immediate return for capital expended on them.

It is understood that several new enterprises are under consideration; if so, it should not be forgotten that there are works already decided, if not already in hand, which will absorb millions before completion, and that their expense can only be met by the raising of loan moneys on the market.

The failure of the Federal Government to return the amount expected, and the general outlook, which betokens a return to unfavourable years, should at least induce a *slow* and safe progress in the execution of new works.

The Receipts during 1899-1900 (*the first full year prior to Federation*), and 1907-8 compared, were:—

		1899-1900.	1907-8.
Governmental.		£	£
Revenue returned by Commonwealth (Braddon Clause)			3,591,371
Transferred Departments—Revenue	£2,541,823		
Less Expenditure	1,047,819	1,494,004	
Taxation—			
Stamp Duties		309,116	565,242
Land Tax		286,227	178,889
Income Tax		166,051	215,283
Licenses		120,299	118,120
Land Revenue—			
Alienation		1,213,661	894,134
Occupation (Annual Revenue)		894,772	886,928
Services rendered (other than Business Undertakings)		317,547	312,792
General Miscellaneous		207,909	349,442
Total Governmental		5,009,586	7,112,201
Business Undertakings.			
Receipts, Corporate Bodies—			
Railways and Tramways		3,565,767	5,978,059
Sydney Harbour Trust			327,579
Metropolitan Board of Water Supply and Sewerage		319,820	499,340
Hunter District Water Supply and Sewerage Board		30,743	43,584
Total, Business Undertakings		3,916,330	6,848,562
Other Receipts		31,609	35,102
Grand Total	£	8,957,515	13,995,865
Excess as compared with 1899 1900			£5,038,340

When dealing with the **current Expenditure** for working (*as pointed out last year*) there are many alterations which affect every comparison attempted, and the following statement has been compiled as far as possible on parallel lines, but the figures used therein are not intended for any other purpose than that shown:—

	1899-1900.	1907-8.
Governmental.		
Special Appropriations	£ 150,236	£ 857,855
Schedules of Constitution Act	42,721	38,808
Pensions to Widows and Pilots	2,000	1,305
Executive and Legislative	31,880	29,465
	226,837	927,433
Colonial Secretary, Labour and Industry	874,678	1,070,215
Treasurer and Secretary for Finance and Trade	626,267	397,824
Attorney-General and Justice	315,600	327,402
Secretary for Lands	315,688	344,817
Secretary for Public Works	832,821	577,644
Public Instruction	808,987	1,089,447
Secretary for Mines and Agriculture	146,901	162,157
	3,920,942	3,969,506
Interest on Compensation Money, Darling Harbour and Rocks Resumption		7,143
Interest on Uninvested Funds at credit of Government Savings Bank, &c.	103,870	54,572
Interest on Public Debt (other than Business undertakings)	670,314	668,328
Sinking Funds	264,561	400,000
	1,038,745	1,130,043
Total Governmental	5,186,524	6,026,982
Business Undertakings.		
Railways and Tramways—		
Working Expenses	2,108,294	3,503,905
Interest Paid on Loan Capital	1,395,116	1,781,153
Sydney Harbour Trust—		
Working Expenses		90,836
Interest Paid on Loan Capital		187,907
Metropolitan Water Supply and Sewerage Board—		
Working Expenses	81,568	138,537
Interest Paid on Loan Capital	234,350	331,172
Hunter District Water Supply and Sewerage Board—		
Working Expenses	9,645	14,721
Interest Paid on Loan Capital	10,491	18,284
Total, Business Undertakings	3,839,464	6,066,515
Other Payments	30,319	92,309
Grand Total	£ 9,056,307	*12,185,806
Excess 1907-8 as compared with 1899-1900		£3,129,499
Excess of Receipts over Expenditure		£1,908,841
Summary.		
Total Receipts	£ 8,957,525	£ 13,995,865
Total Expenditure	9,056,307	*12,185,806
Expenditure in excess	98,782	
Receipts in excess		1,810,059

* Exclusive of transfer (£1,604,479) to Public Works and Closer Settlement Funds.

ACCUMULATED DEFICIENCY.

Full reference having been made to the origin and history of this unfortunate account, it is not considered that there is any necessity for detailed treatment, the matter having been touched on (in page 179).

As previously remarked (page 147) it is to be regretted that steps were not taken to redeem these Bills in toto, and so get rid of the yearly liability for instalments amounting to £300,000 and interest.

With the sanction of Parliament the matter might now be easily arranged as the Bills are held by the Government Savings Bank, by whom they would be no doubt willingly exchanged for 3½ per cent. loan stock, which has a settled currency, and the transfer of the liability to loans would mean an amount of over £1,000,000 for construction of works, as also the saving of at least £300,000 a year for use in other ways.

AUXILIARY

AUXILIARY FUNDS.

Trust Funds.

The year began with a balance of £1,126,965 12s. 5d., which consisted of the Government Savings Bank Funds only; deposits during the year amounted to £30,017 16s. 2d., and re-issues to £11,691 3s. 3d., leaving the balance at 30th June, 1908, at **£1,145,292 5s. 4d.** as shown. Upon the year's transaction £38,253 were paid as interest. See special article (pages 173-4) for further comments.

Special Deposits Accounts.

The balance which on 30th June, 1907, stood at £1,010,675 4s. **was reduced during 1907-8 to £490,584 19s. 6d.**, chiefly by repayments of Fixed Deposits £161,125, and Barrack Street Savings Bank £250,000.

Special (*Supreme Court*) Accounts.

The year commenced with a balance of £222,024 7s. 5d., and the **balance in credit at close of year came to £231,565 0s. 10d.** These accounts, while standing to the credit of the Treasurer in the Bank, are only drawn upon by the authority of the Court. The interest on items included in this and the previous account paid by the Treasurer during the year was £16,289.

If the changes advocated in pages 190-2 were made the control and administration of these moneys would be placed under a Public Trustee.

LOANS AND PUBLIC DEBT.

For General Loan purposes, exclusive of the old Immigration Loans, Parliament had appropriated to the 30th June, 1908, £111,259,724, to which must be added re-appropriations £278,663, making in all £111,538,387 (*vide* Appendix E). Of this sum, £12,833,973 were written off, mainly due to the wise provisions of section 36, Audit Act, 1902, thereby leaving a balance of £98,704,414 available for services:—

For Renewal of Debentures	£12,424,730
For Construction of Public works	86,279,684
Total Loan Appropriations available	£98,704,414

Stocks were sold to the value of £111,841,740, exclusive of £2,000,000, part loan floated in London, March 1908, but not yet accounted for.

The net proceeds of Stock amounted to £108,079,351, entailing a shortage of £3,762,389.

The average price of Loans realised, after all charges of flotation are allowed for, is £96 12s. 9d.

The shortage of £3,762,389 has been relieved by £3,716,889 from outside sources.

From Consolidated Revenue Fund	£3,141,989
„ State Debt Sinking Fund... ..	574,900
	£3,716,889

leaving £45,500 to be made good, to which must be added £691,932 overdraft at 30th June, 1908, making all a deficiency of £737,432.

£10,572,930 sold for Renewals realised £10,021,613 net; shortage of £551,317, which was made good from the General Balance.

Under short Loans, in order to provide for immediate requirements, and to wait for a favourable market, Treasury Bills were issued to the extent of £13,486,500, realising £13,391,509 **net**; shortage of £94 991, made good from General Balance.

£87,782,310, sold for General Services, realised £84,666,228 **net**, but this amount was not available, as £646,308 were used to renew Loans and retire Treasury Bills, thus leaving £84,019,920 available for all purposes.

Floating

Floating of Loans and Expenditure on Loan Works.

STATEMENT showing Yearly Floatings in London and Sydney on account of Loans from 1899—1908.

Year.	Floated in London.	Floated and Advanced in Sydney.	Total Floated.	Net Proceeds.	DISTRIBUTION.	
					Required for Repayment or Redemption of Loans.	Available for Loan Works.
	£	£	£	£	£	£
1899-1900	1,000,000	727,027	1,727,027	1,717,338	857,100	860,238
1900-1	1,000,000	2,039,753	3,039,753	3,020,909	374,900	2,646,009
1901-2	4,100,000	974,297	5,074,297	4,716,465	2,949,300	1,767,165
1902-3	4,700,000	1,942,302	6,642,302	6,359,743	475,000	5,884,743
1903-4	2,200,000	1,342,394	3,542,394	3,499,691	.....	3,499,691
1904-5	2,000,000	2,661,617	4,661,617	4,612,791	2,401,500	2,211,291
1905-6	2,240,000	2,818,346	5,058,346	4,994,243	1,724,900	3,269,343
1906-7 .....	.....	2,826,382	2,826,382	*2,820,873	*3,640,000	.....
1907-8	1,000,000	3,342,710	4,342,710	4,333,972	3,900,000	433,972

* The net proceeds of £2,820,873 were more than absorbed by the liabilities on account of Renewals.

The flotations on the market for 1907-8 were in excess of the previous year by £3,516,328.

The amount placed locally with the public was £3,342,710, the net proceeds thereof amounted to £3,333,510. A Loan of £3,000,000 was also floated in London, but as £2,000,000 have not yet been accounted for, £1,000,000 only have been included in above return for the purposes of comparison. Of the proceeds of this Loan, only £1,000,000 have been remitted. The total amount carried to the Loan Account was £4,333,972. The cost of raising the last loan cannot be correctly given, as the information has not yet been received from London.

The Stocks falling due for renewal in 1908-9, and up to 1912-13, are :—

1908-9	£3,249,500 at 4 per cent.
1909-10	1,219,754 at 4 ..
1910-11	4,363,700 at 3½ to 4 per cent.
1911-12	30,000 at 4 ..
1912-13	9,854,508 at 3 to 4 ..

GENERAL LOANS ACCOUNT.

In my last Report a statement was compiled showing the Stocks raised, percentage paid, and amount raised for each division of cost. As this statement necessitates a very careful examination of all loans, and entails a vast amount of classification and compilation, it is thought advisable to limit its publication to once in every three years; it will not, therefore, appear in this or the following Report.

The Report referred to also drew attention to the fact that **there were large sums paid over yearly to public bodies from Loans—Hospitals and Fire Brigades—which finally passed out of the hands of the Government, and over the expenditure of which they had not, and could not, exercise any legal audit or control.**

It was also pointed out that there should be some power to audit these accounts, **and that it would be wise if a Bill were presented for the sanction of the Parliament**, with provisions enabling a public audit to be made of all accounts, where Government aid was given, and that all such grants should be made from the Consolidated Revenue Fund.

PUBLIC DEBT.

The Debt Proper at the end of the financial year 1907-8 consisted of :—

	£	s.	d.
Debentures held by the Public	8,308,350	0	0
Inscribed and Funded Stock held by the Public	76,192,059	10	8
Inscribed and Funded Stock Special Deposits Account... ..	14,500	0	0
Treasury Bills for Works held by the Public	3,500	0	0
Do do (Renewals)	1,902,900	0	0
	£86,421,309 10 8		

The Floating Debt consisted of :—

Treasury Deficiency Bills, 1895	£822,446	15	10
Do do 1900	155,179	4	8
Do do 1905	236,890	0	0
	1,214,516 0 6		
	£87,635,825 11 2		

The

The total debt on all accounts was £87,635,825 11s. 2d., showing an increase on the previous year of £2,027,994, which is accounted for as under :—

Stock issued in 1907-8	...	...	...	...	...	...	£6,342,710
<i>Less—</i>							
Debentures renewed	...	...	...	...	...	£800	
Treasury Bills retired	...	...	...	...	...	3,417,500	
Inscribed Stock renewed	...	...	...	...	...	199,300	
						<u>£3,617,600</u>	
State Debt and Sinking Fund :—							
Stock and Treasury Bills discharged	...	...	...	...	...	697,116	
						<u>4,314,716</u>	
Increase in Public Debt	...	...	...	...	...	£2,027,994	

In addition to the above Floating Debt, there was an overdraft of £691,931 12s. 11d. on the Loan Account at 30th June, but against this there was a sum of £2,000,000, being part proceeds of the Stock issued, that had not been brought to account in Sydney at the close of the year.

Statements showing the annual interest on the Public Debt are given on pages 111-120, but the amount shown thereon does not cover the annual interest liability of the Treasurer, there must be added thereto that which is payable on the various deposits under his control, which will approximately make—

Interest on—

		£	s.	d.
Public Debt proper	} page 120	3,059,556	3	7
Floating Debt		37,619	18	7
Uninvested Cash Balances	...	50,202	18	4
Special Deposits	...	4,339	0	10
Advances by Banks in London	...	30	3	8
Total	...	£3,151,748	5	0

NOTE.—The last three amounts are especially subject to alteration.

The total debt was principally expended on useful works of a permanent character, returning revenues, which, as a whole, have this year been more than sufficient (after paying working expenses) to provide for the payment of all the interest on the whole of the Public Debt.

Divided in a general way, the Works may be classed as under :—

Reproductive Works—

Railways and Tramways	...	...	£51,356,904
Water Supply and Sewerage	...	...	11,418,688
Darling Harbour Resumptions	...	...	1,170,636
Sydney Harbour Trust	...	...	5,145,324
			<u>£69,091,552</u>

Works for Facilitation of Traffic—Indirectly Productive—

Conservation of Water, &c.	...	...	£1,135,257
Roads and Bridges	...	...	1,801,943
Harbours and Rivers	...	...	4,392,542
			<u>£ 7,329,742</u>

Unproductive Works—

Public Buildings and Offices	...	...	£4,415,965
Works handed over, or to be handed over, to the Commonwealth Government	...	...	3,430,647
			<u>£ 7,846,612</u>
Total	...	...	£84,267,906

Amount not represented by works or existing improve- ments	...	...	...	...	...	3,367,920
						<u>£87,635,826</u>

The expenditure classed as Unproductive cannot be said to be absolutely devoid of Revenue-earning qualities; the term is used to denote works which are not primarily intended for facilitation of traffic or interest-bearing investments.

As

As just shown, the total **interest liability** of the State at 30th June, on all outstanding loans, as well as on uninvested funds in the hands of the Treasurer, **was £3,151,748**; but it is found, on a perusal of the Treasurer's Statements, that the receipts on account of the above services constructed from Loans, **after paying working expenses, not only discharged the whole interest liability of the State for the past year, but also yielded to the Consolidated Revenue Fund a sum of £86,729.** In other words, the time has arrived when the Loan expenditure **is returning working expenses, interest, and a substantial profit**—thus leaving the Consolidated Revenue entirely free for the ordinary services of Government.

The following statement shows how this satisfactory result was obtained:—

Interest paid by Treasurer on Loans and Uninvested Cash.				Revenue derived from Services constructed out of Loans.			
	£	s.	d.		£	s.	d.
Interest on Public Debt (proper)	3,059,556	3	7	Interest provided by Business Undertakings	2,318,516	9	4
„ Floating Debt	37,619	18	7	Surplus on working of Business Undertakings	785,440	19	9
„ Uninvested Cash Balances	50,202	18	4	Interest, Country Towns Water Supply ...	25,533	0	5
„ Special Deposits	4,339	0	10	„ „ Sewerage	1,040	11	3
„ Advances by Banks in London	30	3	8	Interest contributed by Rocks Resumptions	31,890	0	0
	3,151,748	5	0	Abattoirs—Surplus Revenue	4,000	0	0
				Port Kembla Jetty	4,284	14	8
				Interest on Bank Deposits in London, &c.	64,968	19	4
Excess Revenue	86,729	8	11	„ Sale Surplus Lands	252	4	10
				„ Government Funds in London ...	347	14	5
				„ Water and Drainage Trusts	1,805	13	0
				„ Wollongong Harbour Trust	198	10	11
				„ Hay Irrigation Trust	80	0	0
				„ Cost of Coonamble Bore	118	16	0
Total	£3,238,477	13	11	Total	£3,238,477	13	11

In addition to the sum of **£3,238,478** there were large Collections received on account of Harbour and Light Rates, Harbour Dues, Wharfage and Tonnage of Out-ports, Rents of Public Watering-places, and Government Buildings and premises—earnings of works constructed chiefly out of Loan moneys, the proportion of which should go to Interest Account, might fairly be estimated at from £20,000 to £25,000, and would raise the balance to over £100,000.

PENSIONS.

(Exclusive of Old-age, Invalidity, and Accident Pensions.)

Actual Payments during 1907-1908.

	£	s.	d.
Under the Constitution Act:—			
Supreme Court Judges	3,500	0	0
Superannuated Officers	3,477	16	11
Schedule C—Stipends to Clergy	1,643	7	0
Under Supplementary Acts:—			
Supreme Court Judges	2,566	13	4
Annual Appropriations:—			
Widows of Pilots	250	0	0
Military	654	19	0
Stock Inspectors	336	12	10
Under Special Acts:—			
Public Service Superannuation Act—No. 8, of 1903... ..	£107,982	19	0
Contributions from Officers under same Act*	15,657	10	7
District Court Judges' Salaries and Pensions Act... ..	750	0	0
Superannuation Act Repeal Act of 1873	1,008	4	0
Sir Henry Parkes Family Grant	340	0	0
Annual Appropriations:—			
Pension to late Police Magistrate, Hillston	233	6	8
Pension to Constable Alford	45	15	0
Annuity to Widow late J. Price	100	0	0
Police Superannuation and Reward Fund { Accumulated Funds	27,912	4	11
„ { Special Appropriation	20,000	0	0
Treasurer's Advance Account:—			
Additional Pension to Constable Alford	7	12	6
Pension to Stock Inspector	63	14	0
Total Pensions { Paid from Consolidated Revenue*	£158,618	10	10
„ { Paid from Police Superannuation Fund	27,912	4	11
	£186,530	15	9

GRATUITIES.

* The sum of £15,657 10s. 7d. was contributed to Revenue by deductions of 4 per cent. from salaries of public servants.

GRATUITIES.

From Consolidated Revenue Account:—

Annual Appropriation Act, 1907-8 :—	£	s.	d.
Railways and Tramways	9,837	12	6
Public Works	1,625	19	3
Gratuities and Provisional Allowances—Members and Relatives Imperial and State Contingents, South Africa and China (portion to be recovered)... ..	984	6	8
Gratuities Maintenance Men, on roads and works taken over under Local Government Act, on their ceasing to be employed	14,543	16	0
Other gratuities provided on Estimates, or paid from Advance to Treasurer	10,850	6	7
Under Special Act :—			
Public Service Superannuation Act, 1903	1,191	13	5

From Accumulated Funds :—

Police Superannuation and Reward Fund	2,495	18	8
--	-------	----	---

Total Gratuities	£41,529	13	1
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OLD-AGE AND INVALIDITY PENSIONS.

Old-age Pensions.

The number of persons in receipt of pensions on 30th June last was 21,685, viz.:—

Between 60 and 65 years of age	2,160
Of the age of 65 years and upwards	19,525

The average number of old-age pensioners for the year was 21,575, and the amount paid for pensions was £503,030, making the average individual pension for the year £23 6s. 3d., an increase of 5s. 1d. per head on the previous year.

Invalidity and Accident Pensions.

Under the Invalidity and Accidents Pensions Act, certificates were issued as from 1st January granting pensions (*with a maximum of £26 per annum*) to those persons fulfilling residence within the State and other specified conditions and were properly certified to be permanently incapacitated from obtaining their living by reason of accident or invalid state of health.

Up to 30th June last, 1,906 certificates were issued and the amount paid in pension instalments was £12,527, the extra charge for administration by the Old-age Pensions Board, together with medical fees and bank commission, being £908. The full effect upon the public funds was not felt during the year just closed, but it is estimated that a sum of £75,000 will be required to meet the charges for pensions that will be claimed and granted during the year 1908-9. There were 1,765 certificates current on 30th June, involving an annual liability of £45,247. The average pension was £25 14s. 5d. per annum.

The expenditure for the year on the two classes of pensions was £515,556 14s. 9d., and for expenses connected with administration, and payment of pensions, £22,573 18s. 8d., distributed as follows:—

	£	s.	d.
Salaries and clerical assistance	5,251	6	5
Justice Department, proportion officers' salaries	1,500	0	0
Fees to Boards	3,954	4	0
Medical Fees, Invalidity Pensions	303	0	0
Postage	832	5	0
Incidental expenses	526	2	0
Total Departmental expenses	£12,366	17	5
Bank Commission on payment of Pensions... ..	10,207	1	3
Cost of Administration, &c.			
			£22,573 18 8

Comparative

Comparative Statement.

State.	Average No. of Pensioners for Year.	Amount paid in Pensions.	Cost of Administration.	Total.	Average.	
					Pension.	Per head for Administration.
		£	£	£	£ s. d.	s. d.
New South Wales	21,575	503,030	} 22,574	538,131	23 6 3	} 19 4
New Zealand.....	*1,765	*12,527			*25 14 5	
Victoria	13,413	325,199			24 11 0	
	11,288	233,573	1,975	235,548	20 13 10	3 6

* Invalidity and Accident Pensions.

The chief causes of the high charge for administration in this State are, the commission on payments by the Bank, and the fees to members of Local Boards, which absorbed £14,161 5s. 3d., whilst the other States utilise the services of their officers and the post-office at a much smaller charge (particularly so in Victoria where the charge for commission was only £105). It is understood that the Treasurer is negotiating with the postal authorities to undertake the payment of Pensions before the Commonwealth Pensions Act comes into force at the end of the current financial year.

PUBLIC SERVICE SUPERANNUATION.

The expenditure on account of Pension Refunds and Gratuities on this account, during the financial year, 1907-8, amounted to £116,872 10s. 7d., arrived at as follows :—

	£	s.	d.
Pensions—Expenditure out of Statutory Appropriations	123,640	9	7
Do under Constitution Act	3,477	16	11
Gross total pensions paid	£127,118	6	6
On which account there had been received—	£	s.	d.
From Contributions of public servants	15,657	10	7
„ Constitution Act	3,500	0	0
	19,175	10	7
Total net Pensions Account... ..	£107,942	15	11
In addition there were paid—	£	s.	d.
Refunds of contributions	7,738	1	3
Gratuities	1,191	13	5
	8,929	14	8
Net Expenditure on account of Pensions, Refunds, and Gratuities, therefore, was	£116,872	10	7

The net total paid on account of Pensions being £107,942 15s. 11d.

POLICE REWARD AND SUPERANNUATION FUND.

Receipts—	£	s.	d.
Balance brought over from last year ...	10,198	3	10
Deductions from Salaries of Force, fines, &c. ...	25,428	14	8
Special Appropriation under Act 28 of 1906 ...	20,000	0	0
Total Receipts	£55,626	18	6
Disbursements—	£	s.	d.
Pensions	47,912	4	11
Gratuities	2,495	18	8
Miscellaneous	468	5	2
	50,876	8	9
Balance to 1908-9	£4,750	9	9

The

The total actually expended during the year amounted to £50,876 8s. 9d. Of this sum, £2,495 18s. 8d. were paid in Gratuities, and £468 5s. 2d. in what is termed "Miscellaneous," which consisted of—

	£	s.	d.
Gratuities for assistance to Police	204	0	0
Refunds of improper credits	179	3	2
Funeral Expenses of Deceased Constables... ..	62	0	0
Medical Fees paid	23	2	0
Total...	£468	5	2

The passing of the Act No. 28 of 1906, introduced a much more liberal scale of allowance into this Service, which is the primary cause of the increase in expenditure as compared with previous years.

PUBLIC WORKS FUND.

This fund, the establishment of which was specially noted in the last Report, **has been very largely availed of during the financial year**, and has created rather a disturbing influence on the Accounts owing to the expenditure on several lines having been charged partly to Loans previously and then having been voted under this heading, which has, so far, been supplied out of Revenue. This disturbance has also been accentuated by the fact that in the provisions of the Act an authority was given to charge Renewals, and this has accordingly been done by several Departments.

The difficulty thus entailed is that in the main accounts the Business Undertakings are liable to appear as working to greater advantage than they should, for the reason that some portion of the cost of their renewals, **which should appear in, and be charged to, their working expense, has been expended under an outside vote, and does not show very prominently therein.**

The principle of the Act is not carried out by any such inclusion of costs, **which should properly appear elsewhere under working expenditure**, and it is not in accordance with the purpose which was sought to be effected by the Act in question, which was Relief to the Loan Accounts and utilisation of surplus Revenue in the furtherance of improvements. As a matter of fact, the inclusion of renewals in the Public Works Accounts **affords Departments an opportunity of sinking, or attempting to sink,** portion of their yearly cost out of sight.

Coming now to the figures showing the receipts and charges of the Public Works Fund during 1907-8, they were as follow :—

	£	s.	d.
Receipts during 1907-8	1,418,886	9	0
Balance from 1906-7	292,624	6	6
	1,711,510	15	6
The total Expenditure was	966,818	12	8
Balance carried to 1908-9	£744,692	2	10

The net expenditure for the two years has been £1,380,250 9s. 6d., the details of which are shown by the figures below. From this return, which comprises net figures, it will be seen that a total sum of £103,728 4s. 10d. has been expended on Renewals in the two years during which the Fund has existed, and to that extent the ordinary Consolidated Revenue Fund was relieved. As the expenditure has been made from the Revenue Account, the execution of Renewals does not seriously affect the accounts, **except in the case of Departments whose workings are desired to be kept so as to show either profit or loss.** A reference was previously made as to the effect which the provision of such a sum as a separate vote, **to which Renewals** might be charged, had upon the General Accounts.

With

With a view of giving an example of this effect, the following item will admirably show the objectionable results alluded to. In the case of the Metropolitan Board of Water Supply and Sewerage there is a sum of £17,429 expended upon Renewals from Public Works Account. It will be noticed that, if this be added to the expenditure shown under ordinary working cost, the gain after payment of interest on Loan Capital will be reduced from £29,630 to £12,201.

As a matter of fact, of the Business Undertakings, the Metropolitan Board of Water Supply and Sewerage is the only one for which the account mentioned has been used in the payment of Renewals.

PUBLIC WORKS FUND.—**Expenditure** from 1st July, 1906, to 30th June, 1908, classified as to Construction and Renewals.

	Construction.			Renewals.			Total.		
	£	s.	d.	£	s.	d.	£	s.	d.
Governmental.									
Roads and Bridges	65,057	2	0	27,328	2	3	92,385	4	3
Public Watering-places	30,065	17	3	47	10	6	30,113	7	9
Barren Jack Reservoir.....	179,950	8	6	.....	.....	.....	179,950	8	6
Harbours and Rivers	167,797	3	4	485	15	8	168,282	19	0
Public Buildings	241,324	18	8	8,109	2	6	249,434	1	2
Dock	8,869	1	8	.....	.....	.....	8,869	1	8
Water Supply and Sewerage, Country Towns, &c.	64,830	12	8	.....	.....	.....	64,830	12	8
Grants to Shires	101,049	9	2	.....	.....	.....	101,049	9	2
Grants to Various Public Bodies	55,623	6	3	.....	.....	.....	55,623	6	3
Public Instruction	91,525	14	1	50,329	1	6	141,854	15	7
Mines and Agriculture	14,050	9	4	.....	.....	.....	14,050	9	4
Treasurer	34,885	16	9	.....	.....	.....	34,885	16	9
Lands	73,387	5	2	.....	.....	.....	73,387	5	2
Miscellaneous Services	25,465	8	9	.....	.....	.....	25,465	8	9
Business Undertakings.									
Railways.....	113,364	15	7	.....	.....	.....	113,364	15	7
Sydney Harbour Trust .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Metropolitan Board of Water Supply and Sewerage	4,274	15	6	17,428	12	5	21,703	7	11
Hunter District Water Supply and Sewerage Board	5,000	0	0	.....	.....	.....	5,000	0	0
Total	£ 1,276,522	4	8	103,728	4	10	1,380,250	9	6

CLOSER SETTLEMENT.

There were no estates purchased for Closer Settlement during the past year. The few unallotted blocks of the three estates shown in last Report have been taken up.

Considerable difficulty has been experienced in obtaining the necessary information to present the financial results of the three estates subdivided by the Government. Under the prevailing system the Lands Department is not in a position to show the financial transactions of any alienated Crown lands, but is dependent upon the Treasury, where all the payments for deposits, instalments, and interest are registered—consequently it was impossible to obtain from that Department the particulars needed.

Application was then made to the Treasury, and a reply was received to the effect that, as the payments for Closer Settlement blocks were treated in a similar manner to the ordinary Conditional Purchases, it was not necessary, for their purposes, that the books should discern between instalments and interest. Under the circumstances, one of the staff of this Department had to analyse every entry in the Treasury books, and calculate the interest on each payment, in order to show the position of the several estates at the close of the year.

In view of the important effect that Closer Settlement is having upon the Public Finances, it is imperative that a statement should be placed before Parliament, in the Public Accounts, in such a form, as to show clearly the financial result of each estate. Naturally, the Lands Department, which administers the estate, should be charged with that duty; and in order to carry it out should keep the registers in which the annual payments are posted—which are at present kept, as I have above stated, in the Treasury, and in a form that does not give the required information. The

The accompanying Statement has been compiled from figures obtained in part from the Lands Department, the Treasurer's Statements, and (in the manner above shown) from entries in the Treasury Registers.

Estate.	Purchase Money.	Interest on Debentures.	Construction of Roads.	Cost of Subdivision.	Cost of Administration.	Advertising and Incidental Expenses.	Total.	Deposits and Instalments of a purchase by Settlers.	Interest on Balances of Purchase Money.	Lease Rents.	Fines for Late Payments.	Sundries.	Amount due by Settlers at 30th June, 1908.	Total.
	£	£	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Myall Creek.....	138,866	15,732	1,749 3 0	1,575 8 11	326 6 0	1,620 13 0	159,869 10 11	11,604 2 0	5,435 18 7	372 0 9	122 14 1	....	126,190 7 10	143,725 13 3
Gobbagombalin	207,560	....	20 0 0	1,480 2 11	60 3 0	328 10 6	209,448 16 5	10,976 11 7	....	....	....	118 9 4	214,534 14 5	225,679 15 4
Marrar	68,777	....	20 0 0	469 10 7	62 4 7	167 1 3	69,495 16 5	3,653 10 6	....	....	....	168 17 4	71,480 1 4	75,302 9 2
					Balance		5,893 14 0							
							£ 444,707 17 9							£ 444,707 17 9
Reconciliation.														
Cr.—Gobbagombalin										£ s. d.				
,, Marrar										16,230 18 11				
										5,806 12 9				
										22,037 11 8				
Dr.—Myall Creek										16,143 17 8				
										£5,893 14 0				

This Statement shows that whilst the profit on the combined transactions of the three Estates was £5,894, there was a loss on the Myall Creek of £16,144 as at 30th June last, as follows:—

	£	£
Purchase money paid	138,866	
Sale price to Settlers... ..	137,795	
Loss on Sale of Estate .....	...	1,071
Interest on Debentures	15,732	
„ received from Settlers	5,436	
Loss on Interest Account... ..	...	10,296
Cost, Construction—Roads ... ..	...	1,749
„ Subdivision ... ..	...	1,575
„ Administration ... ..	...	326
Advertising and sundry Expenses ... ..	...	1,621
		£16,638
Less—		
Lease Rents	372	
Fines for late Payments	123	
		495
		£16,143

This loss is liable to increase year by year, as, by the payment of annual instalments, the interest returned on the Settlers' balances becomes less, whilst the interest on the Debentures, until their final discharge, is a fixed annual sum, but the loss will be modified to some extent by interest that may be returned on the turnover of the cash received as instalments.

It is to be noted here, that the estate as originally laid out for settlement included a large quantity of alienated Crown Land not fully paid up, but the unpaid value of which was included in the price at which the vendors agreed to sell the property.

The total value assessed was £138,866, which, with stamp duty on transfers, &c., £134, made a charge on Loan Account of £139,000—which was discharged in the following manner:—

	£	£
Debentures handed to Vendors .....	...	131,100
Cash paid to Vendors	670	
„ „ Treasury to clear balances due on Crown Lands	7,096	
„ „ Commissioner of Stamps	134	
		7,900
Total paid from loans ... ..	...	£139,000

As the interest hitherto charged against this estate has been on the debentures only (viz., £131,100), the loss should be increased by the sum of £948, which is the interest that should have been paid for three years; consequently, the total loss would rise to the sum of £17,091.

The outstanding and overdue instalments at 30th June were:—Myall Creek, £1,259 7s. 10d.; Gobbagombalin, £2,902 5s. 2d.; Marrar, £458 8s. 5d.

The above results relate strictly to the financial review of Closer Settlement; there is, of course, the National Aspect to be considered, which is outside of these remarks.

STATE DEBT AND SINKING FUNDS.

The Committee appointed under the State Debt and Sinking Fund Act have this year redeemed Stock and Deficiency Bills to the amount of £697,116, constituted of:—

	£	s.	d.	£	s.	d.
4 per cent. Inscribed Stock	350,000	0	0			
Deficiency Bills, 59 Vic. No. 22	197,116	0	0			
Do 64 Vic. No. 68, & 1 Edw. VII, No. 8	100,000	0	0			
Do Act of 1905	50,000	0	0			
				697,116	0	0

The balance brought forward from the year 1906-7 was in—

Cash and at fixed deposit	£482,737	7	6			
Value paid on Debentures held	22,701	3	9			
				505,438	11	3
*Difference between purchase money and face value of Debentures ...				2,636	6	3

Total value brought over from 1906-7 £508,074 17 6

The Receipts during the year were as under:—

	£	s.	d.			
Annual Contribution by the Treasurer ...	400,000	0	0			
Repayment on account of Sundry Works ...	7,593	13	10			
Interest from Fixed Deposit and Funded Stock	7,084	14	9			
				414,678	8	7

Total sum to credit 922,753 6 1

Against which was Charged, as stated 697,116 0 0

Leaving as a balance at 30 June, 1908 £225,637 6 1

Composition of Balance—

	£	s.	d.			
N.S.W. Funded Stock cost	22,701	3	9			
*To make up face value	2,636	6	3			
On Fixed Deposit	200,250	0	0			
With Colonial Treasurer	48	15	0			
Current Cash	1	1	1			
				225,637	6	1

* The Commissioners quote the Stock at the price paid for it only, and do not take credit in their balance for the difference between the and the face value.

STATE OF THE CASH AND BANKING ACCOUNTS.

The total free cash at the command of the Treasurer was at the close of the financial year 1907-8:—

	£	s.	d.
In Sydney	1,372,952	2	9
„ London	1,401,345	8	10
Total free cash	£2,774,297	11	7

Add the value of securities not immediately available, £1,200,000 at Fixed Deposit, and Sundry securities, £32,833 7s. 1d., a total as given in the accounts of £4,007,130 18s. 8d.

On the 1st day of July, 1908, these accounts stood in the Ledgers as under:—

	£	s.	d.	£	s.	d.
Consolidated Revenue Fund	1,176,924	2	3			
Trust Account, Government Savings Bank ...	445,292	5	4			
Special Deposits	457,751	12	5			
Closer Settlement Account	410,004	0	10			
Public Works Fund	744,692	2	10			
Special Accounts	231,565	0	10			
				3,466,229	4	6
Less—Overdraft General Loan Account				691,931	12	11
				£2,774,297	11	7
To which add Miscellaneous Securities in the Treasury Chest ...				1,232,833	7	1
Total value of Cash and Securities				£4,007,130	18	8

PART III.

Corporate Bodies, Country Water Supply and Sewerage Works,
Subsidised Institutions, &c.

THE subjoined figures represent the **actual Cash Receipts and Expenditure** of the four Corporate Bodies, as shown in the Treasury Accounts, **together with the Interest paid** by the Treasurer on account of the Loans invested in their construction, showing therefore the results from their working during the year 1907-8 :—

Working Results of Services of Business Undertakings.

Business Undertakings.	Cost of Working.			Receipts.	GAIN.
	Expenditure.	Interest Paid on Loan Capital.	Total.		
	£	£	£	£	£
Railway Commissioners	3,503,905	1,781,153	5,285,058	5,975,680*	690,622
Sydney Harbour Trust	90,836	187,907	278,743	327,579	48,836
Metropolitan Board of Water Supply and Sewerage.	138,537†	331,172	469,709‡	499,339†	29,630
Hunter District Water Supply and Sewerage Board.	14,721	18,284	33,005	43,584	10,579
Total	£ 3,747,999	2,318,516	6,066,515	6,846,182	779,667

* Exclusive of £2,380, Credit to Non-Interest-bearing Capital.

† " £4,753, Richmond and Wollongong Water Supplies and Botany Leases.

‡ " £1,359, " " " " " "

This Statement shows that after meeting all expenses of working, including interest payable on Loan expenditure, the **Business Undertakings netted during the year £779,667, or £25,286 in excess of the net surplus of the previous financial year 1906-7.**

The above is arrived at by the purely cash figures of the Treasurer's Public Accounts.

RAILWAYS AND TRAMWAYS.

General.

The total **Loan Expenditure** on these works, that is, **on lines open for traffic**, was £48,771,979, and the **Annual Interest** paid thereon £1,781,153, or 3·652 per cent.

The total **Net Collections** on lines open, as paid into the Treasury, were £5,975,680, an increase over the previous year of £383,223.

The total **Expenditure**, paid out of the Treasury on account of the management of the lines open, was £3,503,905, an increase on the previous year's figures of £282,760.

The **Net Receipts** returned (*so far as the Treasury was concerned*), to pay interest on Loan liabilities or capital invested, were £2,471,775.

The interest actually paid on Loans invested was £1,781,153, and thus the surplus receipts were more than sufficient for all Railway and Tramway purposes.

The total sum expended by the State on lines open and under construction was £51,356,904, and the interest paid thereon was (*at the average rate of 3·652 per cent.*) £1,875,554, and thus the surplus receipts were more than sufficient to cover the whole bill.

The

The figures quoted by the Railway Commissioner, in his report, are not actual cash figures, but are compiled to show the results of working independent of actual receipts and payments; they are as under:—

Railway Commissioner's Figures.

	£
To'al Loan Capital (<i>Lines open</i>)	48,860,495
Interest payable during period for which they were open ...	1,783,868
Earnings	5,956,128
Expenditure	3,523,904
Net Earnings	2,432,224
Surplus after Payment of Interest	648,356

The Treasurer's accounts, on the contrary, give the actual receipts and disbursements, and are, to a small extent, not in accord with the above.

Figures as per Treasurer's Accounts.

	£
Total Loan Capital (<i>Lines open</i>)	48,771,979
Receipts	5,975,680
Working Expenses, including Interest on Loans... ..	5,285,058
Net Receipts	690,622

Reconciliations have been made of all differences, and a full explanation of the same is kept on hand.

Reference was made in my last Report to the amount by which the Railways and Tramways were in debt to the State for **shortages in returns during back years**, and this amount was stated as £4,357,257. This year's surplus will reduce that aggregate sum by £647,839, leaving £3,709,418 as the present shortage.

Stations Accounts.

The inspection of the accounts of a large proportion of the principal Railway and Tramway stations was made, as usual, in connection with inspections of Public Offices in the same localities on the country lines, and in the metropolitan area.

These inspections followed on the lines which were described in former Reports, and have not disclosed any serious departures from the regulations governing the accounts. Yet, whilst the general results have been satisfactory, it has been necessary to report some station officers for laxity and small deficiencies, upon which due action was taken by the Railway Department in every case.

Several instances of fraudulent misappropriation came under observation of the Commissioners' staff, and are shown under **Cases of Default**, page 214. The total sum involved amounted to £147 6s. 9d., of which £132 13s. have been recovered, and £14 13s. 9d. are being further investigated.

The complaints made also related to undue delays in invoicing goods; delivery of goods on credit without authority or security for freight; the overdraft of ledger accounts; disregard of regulations for siding traffic; and the non-enforcement of storage dues; besides laxities in a number of minor matters.

The rates levied have been subjected to tests from time to time at all stations inspected, and found to have general application as required by the Railway Act. In some instances they were not covered under by-laws prescribed by the Act, but on my representations the necessary steps were taken to legalise them. These cases are set out in Appendix P.

A weak spot in the system of checking passenger tickets at Kogarah came under notice at inspection, and there is reason to suspect that a considerable number of passengers from suburban stations, join trams at Kogarah, and escape payment of fares. The matter was brought under notice of the Chief Commissioner, who replied that the question of remodelling the station was under consideration, and this would provide a better means of check.

In one case, referred to in last Report, and at date of its publication not finally dealt with, I had reason to challenge the issue of season-tickets on the Newcastle-Plattsburg tramway to certain individuals at rates greatly below those charged in the ordinary way to all other members of the

general

general public. The matter, after considerable correspondence with the Railway Department, was submitted to the Attorney-General, who ruled that such a practice was contrary to the provisions of the Railway Act, and the privilege has been withdrawn.

It was reported last year that losses were sustained by misrepresentations of certain holders of half-fare season-tickets. Some further cases were brought to light by my inspectors this year, and regulations have been framed to prevent this class of fraud by the public.

The new regulations for storage, framed upon my representations, have had a marked effect at stations, and yielded a fair amount of revenue.

Recoveries amounting to £115 0s. 3d. (Appendix L) have been made in connection with the above-mentioned tests. Such cases serve to sharpen the check of the Railway Officers, and thus prevent losses by undercharge or misquotation of rates. The sum of £1,348 18s. 1d. has been written off as irrecoverable (see Appendix M). The main items making this total were for demurrage and other miscellaneous charges, imposed to accelerate the release of vehicles and prevent overcrowding of goods-sheds, rather than for revenue purposes.

The Railway Commissioners and their officers have afforded me every facility for examining the papers relating to the granting of rebates and concessions. It has been found that some cases went beyond the conditions laid down in the tariff by-laws, necessitating application to the Executive Council for authority to legalise them. These cases are included in Appendix M.

SYDNEY HARBOUR TRUST.

The collections by the Trust amounted to £327,579, being an increase over the previous year of £29,542. From this total collection the amount of £90,836 must be deducted for Working Expenses, and £187,907 for interest on Loan Capital, in all £278,743, leaving the net surplus as £48,836.

It was mentioned in last year's Report that an investigation was being made into the amount set down, as the capital expended on the works placed under the Trust, and the investigation should have been finished ere now, but it was discovered that the papers containing the details of valuations were missing, and that no entries had been made in the Works Department as permanent records of the valuations, consequently the work could not be finished.

It is stated that every search has been made for them in the Departments, between which they have gone astray, but without results. Until these records are found or a new valuation made, the work cannot be proceeded with; consequently, the old approximate sum can only be taken as the capital invested in the Trust, viz., £5,145,324.

A Sinking Fund has now been established under this head of expenditure, and the surplus of the year should be placed to its credit in terms of the Act No. 1 of 1904.

METROPOLITAN BOARD OF WATER SUPPLY AND SEWERAGE.

□ □ The transactions of the Board during 1907-8 show:—

	£
Loan Capital invested on working	9,062,519
Interest paid thereon	331,172
Collections for the Year	499,339
Working Expenses	138,537
Net Surplus available to pay Interest	360,802
Surplus after payment of all charges	29,630

The above figures **do not include** the returns of the Richmond and Wollongong Water Supplies, which are worked by the Board, but not vested in them, **nor do they include** the rents derived from lands at Botany formerly used for Water Supply, but now not used for that purpose.

The Board, therefore, returned to the State, purely from the working of the properties vested in them, the sum of £29,630 over and above all the costs of the year, exclusive of the charges paid from Public Works Fund. (See p. 157). **It is worthy of remark here that probably a larger surplus would have accrued had not the Board determined upon a reduction of the rates during the year then current.**

HUNTER

HUNTER DISTRICT WATER SUPPLY AND SEWERAGE BOARD.

The capital of the Board, that is the amount expended out of Loans, has now been finally settled, and only needs to be carefully reconciled with the Treasury yearly returns each financial year, which will, doubtless, be done.

The capital in working during the year was £500,674, upon which the interest payable was £18,284. The Receipts for the year were £43,584, and the Working Expenses came to £14,721, or with interest quoted, £33,005, leaving a net surplus of £10,579. This surplus should, in accordance with statutory directions, be set apart for a Sinking Fund.

It is understood that during the year the capital was somewhat largely increased by the Board having to take over works of sewerage, which, being incomplete, did not contribute to revenue, although increasing working cost.

COUNTRY WATER SUPPLY AND SEWERAGE WORKS.

Upon reference to Appendix G it will be noticed that out of 69 of these original and additional Water and Sewerage Works 27 at least were in arrears with the instalments which should have been repaid to the Government, and that in 5 cases the Municipal Councils had paid small sums in advance of date, that is to say, that in about 40 per cent. of the whole, there were arrears amounting in the gross to £29,000 (*in round figures*).

There is not much improvement in the collections from these Councils, and as was remarked in last Report, it is quite time that some means were adopted to convince them that they cannot evade their responsibilities in the way they are doing.

WATER AND DRAINAGE TRUST ACCOUNTS.

This is a comparatively new set of accounts established and commenced under the Act No. 93 of 1902. There are now 24 separate localities where these works have been established, at a total cost of £63,432 15s. 5d. (see Appendix H). In last Report attention was directed to these works and the necessity for making provision for their audit and inspection at such times as would tend to avoid the arrears of payments into which the Country Water Supplies have been allowed to drift.

This requirement has still to be met, but inspections have been made of several Trusts' accounts with satisfactory results.

HAY IRRIGATION TRUST.

The liability of this Trust on 31st December, 1907, stood as follows:—

Amount advanced under Loan Act (32 of 1896)	£9,597
Accrued Interest to 31st December, 1907	4,031
	<hr/>
	£13,628
Less—Interest paid by Trust	160
	<hr/>
	£13,468

The application by the Trust, dated February, 1905, to have the capital debt reduced to £4,000 has not yet been approved. The Trust has not yet paid any instalments of the original debt, nor has it complied with its offer to pay £40 per quarter as interest, only four out of fourteen such amounts due having been made to 31st December, 1907.

No definite action has yet been taken upon the comprehensive report of the Committee appointed to investigate the affairs of this Trust, and consequently the unsatisfactory conditions referred to in last Report have continued.

My officers report that owing to the rates being insufficient to meet the cost of water supplied, bad grading of lots, obsolete machinery, and increased cost of fuel, it is probable that the Trust will be still less able to meet its liabilities to the Government.

WENTWORTH

WENTWORTH IRRIGATION SETTLEMENT.

The sum of £11,265 4s. 1d. has been expended on this Settlement, for machinery, channels, &c., since its inception, irrespective of the annual working expenses for the efficient maintenance of the works.

The following statement of the last four years' transactions will serve to show the disparity between the Revenue and Expenditure, the only hopeful feature being the increase of Revenue last year, which, though yet very small, was treble that of the previous year. But it must greatly increase before any approach can be made to cover the charges for working expenses :—

Year.	Expenditure.			Revenue.
	Maintenance, &c.	Improvements, &c.	Total.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1904-5	229 8 1	.....	229 8 1	188 2 6
1905-6	386 10 4	176 11 11	563 2 3	104 18 5
1906-7	501 15 7	1,601 17 1	2,103 12 8	109 7 6
1907-8	880 15 5	219 13 4	1,100 8 9	326 3 8

The remarks in last year's Report may be referred to, as applicable at the present time, there being no appreciable alteration in the conditions of the Settlement.

THE GOVERNMENT SAVINGS BANK.

The accounts of the Commissioners have, as directed by section 30 of the Act, been examined and were found to be substantially correct, **but not in such a condition of accuracy as to enable an absolutely clear certificate of correctness to be given.** The Commissioners having forwarded a report with certain accounts, certified by themselves before audit, to His Excellency the Governor, objected to make the alterations which I considered necessary in their figures, and consequently I have been compelled to send on the accounts to the Honorable the Treasurer, **with a strongly qualified certificate.** Although it was necessary to make numerous alterations in the balance-sheet, the gross result of the necessary alterations, however, only affected the final balances to the extent of £5 16s. 2d. in the Savings Bank Branch, and £6 15s. 6d. in the Advance Branch, both being in favour of the Commissioners.

It was found that the accounts of the Bank were not in a sufficiently advanced state to allow of audit being commenced until early in March, **and consequently my officers could not proceed with their work, although ready to do so.** The delay in publishing the Accounts arose, therefore, **from the remissness in the preparation of the Accounts by the Bank officials.** It is hoped, and indeed promised, that in future years the Accounts will be completed within the time specified in the Act.

On the 2nd January, 1903, the Auditor-General requested information as to whether the Bank Accounts were in a condition for examination, but received a reply to the effect that they were not, but would probably be ready at the end of February. On the 2nd March, two Audit Inspectors were detailed for the work, pending further advice: but on visiting the President of the Bank on the 9th March, were informed by him personally that the Accounts were not ready, and that they were not balanced.

Being anxious that the audit should be completed in reasonable time, the officers of the Audit Department commenced their detail work on that date. Balance-sheets were received by me from the Commissioners on the 31st March, 1903, although the Accounts had not then been balanced, and were not until the 12th May, 1903.

As a matter of fact, any delay which was shown in the furnishing of the Accounts was solely due to the unreadiness of the Commissioners of the Savings Bank. The difficulty which has arisen is due to the Commissioners attaching their signatures to a set of statements, which they must have known were, so far as regards some of the items, approximate only. Had they waited, as they should have done, until the books were properly balanced, there is no room for doubt that the Auditor-General would have been enabled to give a clear certificate.

It

It appears to me necessary that I should call attention to the action taken in referring this matter again to the Savings Bank Commissioners, and allowing them to place a further minute upon the papers after they left my hands, and to publish the same in the Gazette.

The minute appears to have been worded in such a manner as to convey the impression that it was desired to challenge the system of audit as applied by me in the exercise of the powers statutorily conferred upon the Auditor-General under the Government Savings Bank Act, 1906.

The minute in question states that:—

“The Auditor-General apparently either fails to recognise or ignores the fact that the statements submitted to him embrace a period which ended on 31st December, 1907, and that the items particularised by him, with the exception of postages, £426 3s. 4d., were not and indeed could not be known to the Commissioners on that date, therefore, it would be unreasonable to expect them to alter their statements after presentation to His Excellency the Governor, within the time specified by the Act, &c.”

As a matter of fact, the Commissioners did not present their report to His Excellency until the 13th April, 1908, or thirteen days after the time within which their statement should have been prepared.

Moreover, the matters alluded to by them in the paragraph quoted, as not having been known to them on 31st December, 1907, were known or should have been known on or before the 13th April, 1908, the date when the Sheets were signed.

The Balance-sheets were certified by the Commissioners in the following words:—

“We hereby certify, that to the best of our belief the above account and Balance-sheet are true and correct in every particular.”

At that time the Commissioners did not know what sum would be required for interest added to Deposits, which amount was only definitely ascertained on the 12th May, 1908. This fact the Commissioners must have been aware of at the time they certified that the account was true and correct in every particular, and yet the sum named in the Sheet as Interest was an estimate only.

It is also to be noted that while on the 13th April, 1908, the Commissioners certified the account to be “true and correct in every particular,” they now state that they did not profess them to be an absolutely accurate record, but only a fair representation of the Bank's position, therefore it follows that the certificates cannot be relied on.

This question is merely noticed here as the Auditor-General feels that an attempt is being made to explain away matters, which it was incumbent upon him to bring before the Parliament.

The Auditor-General is not in the habit of either neglecting his duty, or of accepting the ruling of the persons whose accounts are being audited, as to what should or should not be done, with any accounts which he audits. Nor does he consider that he is expected to sign any document, which is not an absolutely correct statement, so far as can be ascertained.

MINERS' ACCIDENT RELIEF FUND.

On 31st December, 1906, the accumulated funds amounted to £161,813, at the close of last year they were increased to £192,600. This increase merely accentuates the fact that the present income is largely in excess of requirements, but the Honorable the Premier having decided that the question of introducing an Amending Act to reduce the contributions to this Fund is to await the result of next actuarial investigation in two years' time, nothing further can be done.

The expenses of Administration amounting last year to £814, together with cost of postage, printing and stationery—in all over £1,000 are charged against the Consolidated Revenue Fund by provisions of the Act—but in view of the large and accumulating balance to credit of the Fund it is recommended that the Act be simply amended to permit of these charges being made against the Fund, and so relieve the Consolidated Revenue of a needless annual expense.

SYDNEY ABATTOIR AND NUISANCE PREVENTION ACT.

The subjoined statement shows the operations from 1901-2 (*the last year of the old administration*) to 30th June, 1908 :—

Year.	Revenue.	Expenditure.			Surplus.
		On Working Expenses.	On Repairs and Improvements.	Total.	
1901-1902	£ s. d. 10,123 16 7	£ s. d. 7,948 11 10	£ s. d. 1,532 10 7	£ s. d. 9,481 2 5	£ s. d. 642 14 2
Financial Control assumed by Board of Health on 23rd November, 1902.					
1902-1903	8,470 10 11	7,850 6 1	1,276 18 0	9,127 4 1	*
1903-1904	8,316 14 4	6,080 17 6	687 10 4	6,768 7 10	1,548 6 6
1904-1905	9,514 0 2	5,739 14 7	3,426 12 10	9,166 7 5	347 12 9
1905-1906	11,877 19 11	6,271 10 7	3,039 15 4	9,311 5 11	2,566 14 0
1906-1907	13,954 1 6	7,342 1 1	1,422 17 4	8,764 18 5	5,189 3 1
1907-1908	13,163 10 0	7,312 13 11	1,714 9 4	9,027 3 3	4,136 6 9

* Deficit.

The successful working of the Board of Health has been continued during the past year, as the above figures demonstrate; and by the fact that a sum of £4,000 was paid into the Consolidated Revenue out of the surplus realised on the year's operations, making, in all, a sum of £13,000 handed over to the Treasury for the six years in which the Board has controlled and worked the Abattoirs.

SUBSIDISED INSTITUTIONS.

A large number of Agricultural Societies, Schools of Arts, Hospitals, &c., came under review during the year just concluded, and taking results in the main they cannot be considered as satisfactory.

Last year's Report stated that it was decided that no further subsidy should be paid to a certain society whilst the officers who had been guilty of dishonourable conduct were allowed to retain their positions; this decision was subsequently reversed, the officers were not removed, and subsidy was paid.

There were two very flagrant cases of dishonesty brought to light during this year. W. Poppenhagen, Secretary to the Dangar Cottage Hospital, embezzled no less than £301 12s. 6d.; of this he was allowed to make good £192, but subsequently the balance of defalcations was brought under the notice of the police, who instituted proceedings, and Poppenhagen received a sentence of two years' imprisonment to expiate his crime. G. L. King (*deceased*), as Secretary to the Cowra Hospital, succeeded in embezzling the funds of this institution, to the extent of £403 14s. 1d. This amount was made good by the representatives of the deceased.

In both these cases I regret to report that the auditors and other officials were largely responsible for the results, through failing to grasp the obligations attaching to their positions, and exercising other than a perfunctory control over the respective secretaries.

DRUMMOYNE FIRE BRIGADE.

This matter, referred to in last year's Report, has been advanced a further stage as the result of its submission to the Equity Court.

The anomaly of ten persons, formerly members of the brigade, assuming to themselves the personal and private ownership of land costing £101 15s., and buildings thereon costing £365, purchased out of moneys acquired for fire-brigade purposes from public donations, Government grants, and subsidies from the Metropolitan Fire Brigade, has been removed, the Equity Court having declared that the funds and property were and are held "upon a valid charitable trust for the benefit of the inhabitants of Drummoynes and its neighbourhood, for the protection of their property against fire." The Court further declared the land and premises to be no longer required for fire-brigade purposes, and has ordered a reference of the matter to the Master in Equity, to settle a scheme for the administration of the trust, either for fire purposes or purposes of a kindred charitable nature.

SPECIAL

**SPECIAL POWERS REQUIRED TO AUDIT BOOKS AND ACCOUNTS
of all Persons or Bodies in Receipt of Grants or Subsidies from the State, or
Legally Required to Pay Royalties to the State.**

Special attention has been drawn to this subject, and in the Report for the year 1906-7, it was mentioned that **the then Premier had given instructions for the preparation of a Bill which was to be laid before Parliament for its consideration and approval.**

There was not sufficient time to draft and place the proposed Bill before the House last session, but it is trusted that time will be afforded for its consideration in the approaching session of Parliament.

The more especially important phases of the subject are two, viz.,

- (1) The examination of accounts of Companies or Public Bodies to see that Grants made by the Government are properly applied to the works or purposes for which they were so granted ; and
- (2) The institution of the necessary check on Mining Accounts where payment is due by Companies on their actual or net returns.

Instances have been discovered where Grants or Subsidies have been made on returns which were incorrect, and in some instances of set purpose, and also where the Grants have been wholly diverted from the purpose for which they were originally made.

It is therefore urgently necessary that some such Bill, as that referred to above, should be passed by the Legislature without unnecessary delay.

Responsibilities of Directors and Auditors, &c.

The necessity that some action should be taken in regard to the appointment and conduct of the officers of Public Institutions and Boards, and particularly of the Auditors of Accounts, has been brought rather prominently under my notice during the past year, owing to the defalcations discovered by my Inspectors, while dealing with accounts and records in case of Hospitals, Pastures Protection Boards, &c.

In each, instances have occurred which went far to prove that the chairman and auditors neglect their plain duty, and trust implicitly to the secretary or clerk, who is allowed (*if dishonestly inclined*) to manipulate the funds to his personal advantage, and corresponding loss to the Government. To take as an illustration an actual occurrence, the case of Bombala referred to in subsequent pages, which is not the only one that could be quoted :

Under the Pastures Protection Act, Boards are appointed to administer the funds, which are accumulated by the payment of certain rates and taxes on the stock held by each individual.

Now, in the Act itself, there is no provision for the inspection or examination of accounts by the Auditor-General, but the Minister may, when he thinks necessary, call upon the Auditor-General to examine any particular accounts.

It was ascertained that there were evidences of great carelessness in the accounts of some of the Boards, and the Auditor-General requested that a general authority to enter and examine all Pastures Protection Board Accounts should be granted to him. **This was approved about the middle of last year,** and under these instructions the Auditor-General is now having examinations made in the ordinary course of business.

One of the last so made was that of the District of Bombala, and here it was found that the secretary to the Board had for a considerable period neglected his duties, and that there was a large deficiency. (*The defaulter was duly prosecuted, and is now undergoing punishment.*)

Statements purporting to be balance-sheets had been published year by year, and had been signed by the chairman, **and duly vouched for as audited by the local auditors, and yet,** at the first inspection by the Auditor General's officer it was found that there existed a growing deficiency from 1903 to 1907, until at the latter date the default had reached an amount of £350 in round figures. **It was therefore evident that the so-called audit must have been purely formal,** and valueless. Moreover, the Chairman must have neglected the duties appertaining to his position as laid down in the Regulations, and for which fees are paid.

Nor is this altogether an isolated instance of neglect, or of loss resulting therefrom, other cases have presented the same objectionable features. There has been, in several instances, an utter misconception of the responsibilities of audit, and it would, in my opinion, be highly advisable that very strong action should be taken, wherever possible, to convince gentlemen who undertake the position of Auditors to these Bodies, **that they are not paid audit fees simply to attach their names to statements drawn up by a Secretary or Clerk, without examination ;** but that they, in effect, contract to carefully and personally examine the details of the statements presented to them for signature, and that this carries with it a liability to make good all errors, &c., missed by them.

In the Bombala instance, the maximum loss which could have resulted, had the audit been properly carried out was, say, £30, whereas, by the carelessness of the Auditors, the loss grew to £361, of which the whole should, properly, be repaid by the Auditors whose neglect of duty caused the loss.

It is also imperative that an amendment of the Act be made, and legislative provision be inserted **making it obligatory that Governing authorities should prosecute the offenders in all instances of default.** As it is at present, guilty persons are allowed to escape punishment in certain instances owing to their crimes being condoned on their disgorging their ill-gotten booty ; the result being that other men dishonestly inclined, are encouraged in evil ways by the inference that if discovered they will go harmless on refunding the amount of their defalcations.

It should be made a matter of regulation by the Government that, in any case of ascertained defalcation, there should be no option in deciding what should be done with the defaulter, but that default should in every instance be dealt with by legal process.

The results following the case mentioned have been contributed to in more than one way, viz. :—

1. Through an omission in the Pastures Protection Act providing for a proper and trustworthy method of audit.
2. By the scandalous neglect shown by the local auditors, who must have wholly omitted to carry out any audit at all, and yet signed the so-called account, and accepted fees for the same.

There are also other features to which attention should be given, as affecting the process of audit in the case of these Boards, &c., **one of the most important of which is the fact that one person will hold the position of Clerk or Secretary to several independent concerns.**

Thus we have instances of **one person holding the following offices,** viz. :—

- (1) Municipal Council Clerk,
- (2) Pastures Protection Board Secretary,
- (3) Local Hospital Secretary,
- (4) School of Arts Secretary,
- (5) Agricultural Society Secretary,

and also entrusted in each case with the funds, so that the balances to the credit of each may be used, and have been so used, to cover up defalcations whenever any one of the bodies require an audit.

The salaries paid by these Bodies are generally so small as to make it almost an impossibility for a man to live, **unless he holds more than the one position,** and so he obtains as many of such posts as will fill up his time, and in the gross, afford him means of subsistence.

The importance of maintaining the most minute and careful audit is, therefore, clearly manifest, and the only method which I can see of meeting the requirements of the matter, is to deal with the duties of Auditors by legislation, and then to hold them personally responsible for all shortages subsequently discoverable, that is, of course, where fees are accepted for audit.

PASTURES PROTECTION BOARDS.

In pursuance of general authority granted to me, and referred to in last report, all accounts of these Boards have now been examined.

The matter of the refund of fees drawn in excess of those prescribed in the Regulations has not yet been settled in all cases, as some of the members dispute the fact that they were overpaid, on the ground that the Regulations were *ultra vires*. **However, this will shortly be thrashed out in the Equity Court, as the cases are in the hands of the Crown Solicitor,**

The

The State expenditure on the administration of the Act, and the contributions by the Boards in recoupment thereof, for the last five years, were :—

					Expenditure.	Contributions.
1903-4	...	...	...	...	£3,469 12 4	£1,389 10 9
1904-5	...	...	...	...	3,789 0 9	1,887 3 1
1905-6	...	...	...	...	2,730 6 1	1,394 2 3
1906-7	...	...	...	...	3,422 10 6	2,292 19 6
1907-8	...	...	...	...	3,007 13 9	2,063 1 2

It, therefore, follows that the contribution of 3 per cent. is not sufficient to cover the cost of the present administration.

It is pleasing to report that in every case, except Bombala, the contribution of 3 per cent. has been paid to the Consolidated Revenue Fund by the Pastures Protection Boards.

There is still room for great improvements in the manner in which affairs are conducted at some of the Boards. In two cases, frauds have been allowed to go undetected by the auditors and others responsible. At Singleton, W. Poppenhagen (*who also defrauded the Dangar Cottage Hospital at the same place*) embezzled the sum of £57 0s. 11d.; but he was allowed to make the amount good by the Board. The other, a much more flagrant case, at Bombala, the Secretary to the Pastures Protection Board (W. J. Fell), embezzled no less than £361 9s. 6d.; and this had been going on for five years undetected by the local auditors, who certified to the correctness of the balance-sheets.

Notwithstanding the fact that the same two gentlemen held the paid positions of auditors during all these years, yet after the frauds had been discovered, the Pastures Protection Boards again appointed them to act as auditors for this year! The Auditor-General protested against the appointment of these gentlemen, but has not been advised of what action has been taken on the protest.

From the reports, appearing in the daily press, of the recent Conference of Pastures Protection Boards, it is learned that the Minister was approached with a view of providing for the payment from the Public Revenue, of the salaries of Stock Inspectors in whole or in part.

In connection with this proposal, I desire to point out that there was, at 31st December last, an aggregate balance at the credit of these Boards of £38,912 19s. In no case, whatever, was an adverse balance shown, but in some instances large sums were placed with the banks at fixed deposit—as will be seen on reference to Appendix N. It would appear, therefore, that there is no call for the Revenue to bear such a charge.

Under the Amended Act, the Boards were relieved of the repayment of £50,566 due on the old Sheep Account, on condition that they spent within five years from the passing of the Act, a sum equal to the amount vested in them, at the time of their creation; and this sum was to be expended on the destruction of rabbits within their respective districts, and the erection of certain rabbit-proof fencing on certain public lands, an evidence of liberal treatment by Parliament.

SEED-WHEAT REPAYMENTS.

Attention is again drawn to the amount outstanding for seed-wheat repayments. The last advance was made in the year 1903—five years ago—and I would strongly urge on the Minister for Agriculture the advisability of having the whole matter gone into, with a view to taking drastic steps to obtain re-payment, or, if there is not any prospect of recovery, writing off debit by statutory authority.

It is most undesirable that accounts of this nature, instituted to deal with a special need, arising out of a succession of unfortunate droughts should be allowed to stand in the Public Accounts for a series of years, as an unpaid liability of the Public to the Government, and to be published as unadjusted and outstanding, notwithstanding that there has been a succession of good seasons.

The whole of the figures on this account has been revised by the Department of Agriculture, and adjustments made. The reduction for the year amounts to £5,360 2s. 3d., leaving £31,670 8s. 5d. still owing out of a total of £126,726 11s. 11d. advanced, *vide* statement below :—

Seed-wheat Distributions—Balance due 30th June, 1908.

Year of Distribution.	Amount Advanced.	Repayments.	Amount written off.	Balance still owing.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1889	13,764 12 1	6,536 17 5	3,908 1 0	3,319 13 8
1895	5,224 4 10	3,779 5 7	145 0 1	1,299 19 2
1896	14,050 13 7	6,422 1 9	2,234 6 2	5,394 5 8
1897	541 6 9	246 1 9	110 10 6	184 14 6
1899	5,782 7 5	2,896 11 5	565 15 0	2,320 1 0
1900	166 18 2	29 6 0	13 18 3	123 13 11
1903	87,196 9 1	67,276 11 11	891 16 8	19,028 0 6
Totals	£ 126,726 11 11	87,186 15 10	7,869 7 8	31,670 8 5

The number of cases referred to the Crown Solicitor during the past year totalled 182, with the following results :—

	£ s. d.
Total amount of claims	2,259 12 0
Amount recovered	1,185 12 10

The result of the action with regard to these 182 cases being so satisfactory, it would be advisable to put the whole of the outstanding claims in the hands of the Crown Solicitor to be finally dealt with

PROSPECTING VOTE—GOLD AND OTHER MINERALS.

Attention has been called in previous Reports to the **extremely unsatisfactory and unremunerative result of the procedure in connection with the Advances made to prospectors for gold and other minerals.** As a matter of fact, the **total repayments made by individuals assisted by the Government, means only £1,610 out of a total of £388,702 actually advanced.**

It is only in recent years that an attempt has been made to recover these advances, and this only in cases where prospectors have been reported to be obtaining a profitable return for their labour.

The Under-Secretary for Mines, in his Annual Report for the year 1902, makes the following remarks upon this subject, which do not seem to have received the attention which they should have done at the hands of the authorities, viz. :—

In the report for the year mentioned, Mr. E. F. Pittman, Under-Secretary, under the head of 'Prospecting,' states that—

“After many years' experience in the administration of the Prospecting Vote, I cannot refrain from stating that, in my opinion there are grave doubts as to whether the Vote is really beneficent to the mining industry.

“Of course, the expenditure of vast sums of Government money in prospecting operations, must necessarily have some result, and it is certainly true that a few payable deposits have been discovered by persons who were at the time of discovery in receipt of aid from the Prospecting Vote, but, on the other hand, in a vast majority of cases these discoveries have been merely patches which have only benefited the actual finders, or, in other words, they have not been of sufficient importance to enable outsiders to reap any advantage from them. Moreover, one cannot help thinking that all these discoveries should have been made by energetic prospectors without the assistance of a subsidy from the Government.

“In any case he would be a bold man who would assert that the payable deposits discovered through the agency of the Prospecting Vote, could be regarded as anything like a satisfactory return for the money actually expended, for I find that up to the end of the year 1902 no less a sum than £337,026 of the public funds has been paid away on aiding prospectors.

However,

However, it is not only in this aspect of the question that the useful effects of the Prospecting Vote are open to doubt; I venture to think that the granting of State Aid to prospectors has had a tendency to seriously impair their energy and their independence, and to bring into existence a class of men whose only ambition is to live on the Vote. Occasionally one still hears a sturdy miner boast that he has never asked the Government for a penny of aid, but instances of this kind are, unfortunately, becoming very rare, and the first thing that is thought of by the majority of so-called prospectors is to apply for Government assistance."

The question of State aid to prospecting is, I fear, one of those which, while they appear to be reasonable in theory, do not work out well in practice. As a matter of policy, it may have its advantages, but I am strongly of opinion that the improvement of the mining industry is not one of them. The principle has now had a fair trial, extending over many years, and it appears to me that the time has arrived when the truth should be known."

I have quoted these paragraphs as the opinions of such an experienced officer, as the Under-Secretary for Mines, who has also acted for several years as a Chairman of the Board appointed to deal with the applications made for Government Aid by prospectors, should have great weight in dealing with such an intricate question.

I am in full accord with the opinions so expressed, and have drawn the attention of the Parliament to them several times, but so far nothing appears to have been done, and fresh amounts are voted on the Estimates year by year. At the end of the financial year 1907-8, the total sum advanced, as previously emphasised, was £388,702, of which only the amount of £1,610 had been recovered. The cost of Departmental administration is not included in the above, but must have amounted to a considerable sum.

With regard to the amount outstanding in this account, £387,092 as per statement hereunder, I can do no more than quote what I said in my last Annual Report—

"If the chances in prospecting are so enormously against success, it would appear wise to consider whether the vote should not be discontinued, and private enterprise relied on wholly in development of this industry which now, as shown, is so expensively subsidised by the Public Funds."

The Parliamentary Votes for this object (<i>years 1887 to 1908</i>) total	...	£450,673
The expenditure, comprising Advances to Prospectors, travelling expenses of Departmental Officers, and other small items of Administration,		
total	...	388,702
The Repayments on account of Advances made total	...	1,610
Net Payments (<i>the bulk of which will be a final charge against the Revenue</i>)	...	£387,092

The cost of Departmental Administration is not included in the £388,702 quoted, and this must form a very appreciable addition to the loss sustained by the State.

PART IV.

Matters requiring Special Notice.

Furnished for the information of the Parliament, under the authority of Section 63 of the Audit Act, 1902.

FINANCIAL RETROSPECT.

The following review covers ground traversed in the previous Annual Reports, both as regards text and tabular matter, but the setting has been changed with the object of bringing together, in sequential order, results under each Account, comprising the financial system of this State, and presenting, in a simple and handy form, a comparative review of the operations of the Treasurer past and present.

The figures of past years have been in some few cases amended to bring results into line with current experience and on a comparable basis. The remarks fittingly dovetail with those of Parts I, II, and III of this Report.

The following is the order observed :—

Treasury Chest—Its Growing Strength.

Accounts proper.
Auxiliary and other funds.

Consolidated Revenue Fund.

Governmental.
Balance returned by the Commonwealth.
Business Undertakings of the State.
Revenue as a whole.
Annual Expenditure prior to Federation and Now.
Deficiency.

Public Works and Closer Settlement Funds.

Public Works Fund.
Closer Settlement Fund.

Loan Appropriations.

Loan Receipts and Disbursements.

Public Debt.

Interest.
Stock Market.
Local Market.
London Market.
State Debt and Sinking Funds.

Public Trust Office.

Contingencies Fund—Fund for Temporary Payments.

Treasury Chest—Its Growing Strength.

The following comparison is presented, with a view of illustrating the strength of the Treasury Chest, as compared with conditions obtaining in 1901-2. During the period named, which was the first complete financial year after the inauguration of the Commonwealth, the "free or uncovered" cash amounted to £779,305. On the 30th June, 1908, the Treasurer had at his credit £3,974,298, or fully five-fold that of the former year.

The

AUDITOR-GENERAL'S REPORT, 1907-8.

The figures of each period, and the relative position of each account to the total working balance are :—

	1901-2.		1907-8.	
	£	£	£	£
Accounts proper—				
Consolidated Revenue Fund	Dr. 236,746		Cr. 1,676,924	
Public Works Fund ... ..	.....		„ 744,692	
Closer Settlement Fund ... ..	.....		„ 410,004	
General Loan Account	Dr. 4,151,081		Dr. 691,932	
Advances to Settlers' Account	Cr. 23,771		.....
Sundry Accounts	Dr. 17,189		.....
		Dr. 4,381,245		Cr. 2,139,688
Auxiliary and other Funds—				
Government Savings Bank	869,168		1,145,293	
Savings Bank of New South Wales	2,640,000		.....
Sinking Funds... ..	655,796		.....
Supreme Court Moneys	487,624		231,565	
Other Funds and Special Deposits	507,962		457,752	
		Cr. 5,160,550		Cr. 1,834,610
“Free” Cash in Treasury Chest...£		Cr. 779,305		Cr. *3,974,298

* Includes £1,200,000 at fixed deposit.

For the purpose of making clearer the true condition of the finances, at each of the years named, the accounts have been grouped under two generic heads :—

- (1).—Accounts Proper.
- (2).—Auxiliary and other Funds.

(1) ACCOUNTS PROPER.

Taking the total under this group, it will be seen that the huge overdraft of £4,381,245 on 30th June, 1902, gave place at the corresponding date, six years after, to a substantial cash credit of £2,139,688.

If the accounts be examined in detail, the Consolidated Revenue Fund shows a credit balance of £1,676,924, whilst the Public Works and Closer Settlement Funds (which have been brought into existence since 1901-2) collectively had a credit of £1,154,696, or an aggregate balance for the Revenue and the allied accounts of £2,831,620.

(2) AUXILIARY AND OTHER FUNDS.

These funds are operated on under Trust, Special Deposits, and Special Account. Fully 60 per cent. of the moneys were placed under the administration of the Treasurer by statute, regulation, or agreement, the balance representing store accounts placed in this division for convenience of working.

In the Treasury economy, the auxiliary funds are a necessary factor, in the ordinary working of the General Banking Account, nevertheless their sphere of usefulness, as applied to the public finances, has its bounds, past experience having shown that the possession of large sums held in trust, with no defined conditions as to extent of application, has encouraged Revenue and Loan Expenditure, beyond safe limits or the strength of either fund. Had the volume of these funds been regulated in former years, on the present-day safe basis, it would not have been possible to incur a Revenue Deficit of £3,052,000 in 1896-7, or a Loan overdraft of £4,151,000 in 1902.

During 1902-3, there was a visible strengthening of the Treasury Chest, and a very pronounced improvement was exhibited during the following year. Thenceforth the amount of “free” cash mounted higher and higher, until the magnificent total of nearly £4,000,000 was reached on 30th June, 1908, notwithstanding that the auxiliary funds were reduced, from £5,160,550 in 1901-2, to £1,834,610 in 1907-8.

The economies effected, in the working of the Treasurer's Banking Account, and the advantages derived from the improved system of working the Cash Account, formed the subject of special remarks on pages 146-8 of my Annual Report 1905-6, and in the succeeding Report on pages 190-1, attention was directed

directed to the effects of the Government Savings Bank Act on the Treasurer's balances. Further reference thereto does not appear to be necessary, but these remarks would be incomplete, without some allusion being made, to the closing up of the "**Savings Bank of New South Wales (Barrack-street) Deposit Account,**" and the substantial reductions made on the "**Fixed Deposits Account.**"

The former was opened during 1891, when the strength of the Treasury Chest was at a low ebb. The account was initiated by an advance of £75,000; further advances were periodically obtained with the result, that the liability to the Trustees of the Savings Bank of New South Wales, reached the huge sum of £2,780,000 on 30th June, 1901. From that year the amount steadily declined, until the liability was finally liquidated, on 1st July, 1907. At one time the annual interest paid amounted to £97,000. **These advances or deposits were practically held at call, and, therefore, constituted a contingent liability,** which the State might have been required to liquidate at a most inopportune time.

The weakness of the Treasury Chest, and the additional liability incurred in the Darling Harbour Resumptions, were responsible for the creation of the "**Fixed Deposits Account**" in 1901-2. The deposits represented deferred loan payments on account of the resumptions, the payees having agreed to allow the payments to stand over, provided that interest (at the rate of 3 or 4 per cent.) was allowed on the daily balances. On 30th June, 1903, the deferred payments amounted to £357,531, on the 30th June, 1908, the liability had been reduced to £20,300.

During the last three years, the whole face of the Treasurer's Working and Banking Account has been changed. **Reforms have been introduced with a view to a fuller recognition of business principles.** No idle moneys are allowed to remain in the Treasurer's working balances, the amount of "till" money being regulated to accord with the ebb and flow of the Treasury transactions, whilst as just shown the volume of the auxiliary funds is being **reduced to amounts at which they will prove a useful factor in the Treasury economy,** and not, as in former years, a **burden to the State by reason of their huge proportions, and the rigid conditions under which the Treasurer was forced to become a trustee.**

The accompanying **Diagram A** has been designed with a view to illustrating the volume of the Auxiliary Funds, during each month of the last three financial years, and the extent to which these funds were used during certain periods **as cover for overdrafts, on the Consolidated Revenue and Loan Accounts.**

The Diagram clearly exhibits the restoration of the Consolidated Revenue Fund, and the improved conditions of the Loan Account, **whilst the reductions in the Auxiliary Funds stand out in bold relief.**

The Auxiliary Funds reached the highest and lowest aggregate during February, 1906, and June, 1908, respectively, whilst if the dotted contour be examined it will be noticed that the combined overdraft on the Consolidated Revenue and Loan Accounts was greatest during October, 1905. From that date the adverse balance declined, vanishing in the case of the Revenue Account during January, 1906, and in respect to the Loan Account five months later. The latter account again became overdrawn during February-May, 1907, and a fresh overdraft took place in the following September, which increased to £1,710,252 in May, 1908, falling again to £691,932 at the close of the financial year.

The **Diagram** is chiefly useful in showing that the Treasury operations are now being carried out with a minimum of extraneous aid, as the volume of the Auxiliary Funds have been brought down to an amount commensurate with legitimate requirements.

Consolidated Revenue Fund.

One of the many important changes, introduced during the last three years, was the division of the Consolidated Revenue Account into two parts—

Governmental.

Business Undertakings of the State.

The classification was first adopted in the *Gazette* Statement of Accounts for September, 1905. The monthly returns are, however, incomplete, **as it has not been found practicable** to apportion, to the respective divisions, the interest payments on account of the Public Debt at any other period than at the end of the financial year.

The reform was timely, for the results under the old system led to many erroneous conclusions as to the cost and upkeep of the ordinary State administration, one year's grand total of Revenue being compared with that of another, **without any consideration being given to the constituent parts or details** which led up to such totals. Hence it was not uncommon for the Government to be charged with incurring expenditure largely in excess of the legitimate needs of the population of the State.

Under

DIAGRAM A.

Extent to which the AUXILIARY FUNDS were used as COVER for OVERDRAFTS on the CONSOLIDATED REVENUE during 1905-6, and the GENERAL LOAN ACCOUNT during 1905-6, 1906-7, and 1907-8.

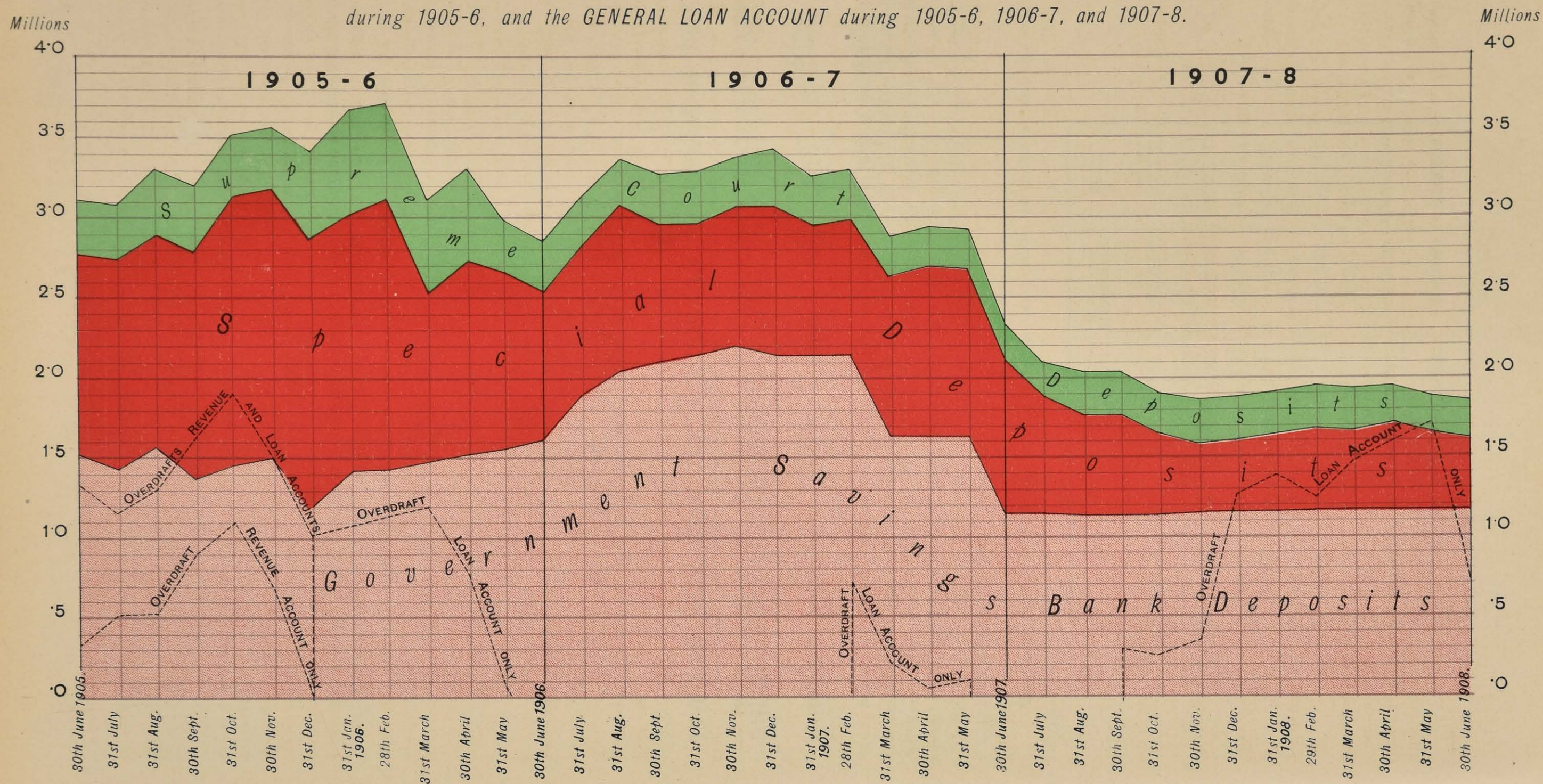


DIAGRAM A.

Extent to which the Auxiliary Funds were used as Cover
for Overdrafts on the Consolidated Revenue during
1905-6, and the General Loan Account during
1905-6, 1906-7, and 1907-8

Under present conditions a glance will disclose under which division any marked expansion has taken place. Should the increase be under Business Undertakings, and the services comprising such are paying their way, the growing expenditure would be a reflex of profitable development, and not, as might be erroneously affirmed, when taking the grand totals as a basis, an index of extravagance; whilst a glance through the items which comprise the "Governmental" will readily disclose the heads of account under which any expansion has taken place.

GOVERNMENTAL.

The following were the **Receipts** and **Disbursements**, connected with the administration of the ordinary affairs of the State, during each of the financial years stated:—

Year.	Total Receipts (Proper).	Total Expenditure (Proper).	Results.	
			Excess Receipts.	Excess Expenditure.
	£	£	£	£
1901-2	6,108,170	6,117,483	.....	9,313
1902-3	6,547,345	6,393,525	153,820	.....
1903-4	6,298,997	6,189,096	109,901	.....
1904-5	6,036,866	5,994,433	42,433	.....
1905-6	6,415,945	6,056,459	359,486	.....
1906-7	6,956,214	6,203,878	752,336	.....
1907-8	7,106,056	6,026,982	1,079,074	.....
			2,497,050	9,313
			Net Surplus £2,487,737.	

The Receipts include the balance returned by the Commonwealth, the volume of which ranged from 39 per cent. to 50 per cent. of the total annual collections.

Balance Returned by the Commonwealth.

During the period of Federation ended 30th June, 1908, the surplus revenue credited by the Commonwealth to the State Treasury amounted to £20,891,290, of which £18,246,861 represented the three-fourths returned under the Braddon Clause, and the remainder £2,644,429, the unexpended moneys which the Commonwealth might have applied to its own requirements, had the avenues of expenditure been open, but being unexpended at the close of each month was in accordance with the Constitution paid into the State Treasury.

The amount credited yearly (as per the State Accounts), classified under the two divisions, was as follows:—

Year.	Three-fourths Contribution.	Excess over Three-fourths.	Total.
	£	£	£
1901 (6 months) ...	739,654	143,619	883,273
1901-2 (12 months)...	2,065,495	320,410	2,385,905
1902-3 ,, ...	2,560,290	492,843	3,053,133
1903-4 ,, ...	2,359,354	324,063	2,683,417
1904-5 ,, ...	2,225,966	303,104	2,529,070
1905-6 ,, ...	2,371,584	371,186	2,742,770
1906-7 ,, ...	2,622,993	399,358	3,022,351
1907-8 , ...	3,301,525	289,846	3,591,371
Total	18,246,861	2,644,429	£20,891,290
Average for whole period ...	2,432,915	352,590	2,785,505

Under the Federal Surplus Revenue Act, which came into operation in June of the present year, the Commonwealth will, it is anticipated, reserve to itself all excess money over the statutory three-fourths. As so often emphasised, the three-fourths contribution (that is the minimum prescribed by the Braddon Clause) is conserved to the States until 31st December, 1910, when the Federal Parliament, without reference to the States, has power to determine the whole question as to the distribution of surplus moneys.

The "excess over the three-fourths" practically represents a supplementary credit, of £352,590 per annum, to the State Treasury during the whole period New South Wales has been a unit of the Federation. A cursory glance will disclose, that the Revenue has been immensely strengthened, by the large volume of the yearly credits which have passed into the State Treasury, but as will be seen in a subsequent part of this Report, **much uncertainty exists as to the extent to which this Treasury and the other State Treasuries will participate in future Commonwealth surplus revenues.**

Cost of Government.

The **annual cost per capita of the ordinary functions of Government** during 1907-8, is considerably lower than that of any previous year under review, as the following statement, which gives the expenditure under **Governmental**, will show :—

Year.			Amount.	Per Capita.		
			£	£	s.	d.
1901-2	...	...	6,117,483	4	8	11
1902-3	...	...	6,393,525	4	11	1
1903-4	...	...	6,189,096	4	6	7
1904-5	...	...	5,994,433	4	2	3
1905-6	...	...	6,056,459	4	1	2
1906-7	...	...	*6,203,878	*4	1	3
1907-8	...	...	*6,026,982	*3	16	10

* See following table.

The figures of 1906-7 and 1907-8 are, however, exclusive of the expenditure from the Public Works Fund, on Works, Buildings, Endowments, &c. **If those additions be made, the result will be :—**

		Absolute.			Per Capita.		
		Revenue.	Public Works Fund.	Total.	Revenue.	Public Works Fund.	Total.
		£	£	£	£ s. d.	£ s. d.	£ s. d.
1906-7	...	6,203,878	330,272	6,534,150	4 1 3	0 4 3	4 5 6
1907-8	...	6,026,982	909,911	6,936,893	3 16 10	0 11 7	4 8 5

These favourable results were obtained, **after meeting increased expenditure** on account of Sinking Funds, Old-age, Invalidity, and Civil Service Pensions and Gratuities, and Miscellaneous Expenditure incidental to the development of the State, **whilst the figures in the later years are largely inflated by the cost of services of local importance, which, under the Local Government Act, will gradually become a liability (partly or wholly) of those directly interested and benefited.**

BUSINESS UNDERTAKINGS OF THE STATE.

The following statement gives the results of working, during the seven years shown, of the four services—Railways and Tramways, Sydney Harbour, Metropolitan Water Supply and Sewerage, and Hunter District Water Supply and Sewerage, services which comprise the group classed as **Business Undertakings of the State**:—

Year.	Receipts.	Disbursements. (Cost of working and interest paid on Loan Capital.)	Results.	
			Excess Receipts.	Excess Expenditure.
	£	£	£	£
1901-2 ...	4,921,518	4,893,684	27,834	.....
1902-3 ...	4,748,780	5,075,665	.....	326,885
1903-4 ...	4,949,465	5,136,911	.....	187,446
1904-5 ...	5,300,052	5,200,642	99,410	.....
1905-6 ...	5,857,121	5,320,389	536,732	.....
1906-7 ...	*6,431,131	5,672,779	758,352	.....
1907-8 ...	†6,848,562	6,066,515	782,047	.....
			2,204,375	514,331
			Net Receipts, *†£1,690,044.	

* Includes a repayment of £3,971 to non-interest-bearing capital.

† Includes a repayment of £2,380 to non-interest-bearing capital.

The figures vary to a slight extent from those given in the cash accounts of the Revenue Fund, on account of charges for properties not vested in the Metropolitan Board of Water Supply, &c., being excluded.

During the seven years under review, the aggregate net profits equalled £1,690,044, which have passed into the Revenue for general purposes, but arrangements are now being made to give effect to the provisions of the statutes governing at least two of these bodies, whereby some portion of their respective profits will be placed annually to a sinking fund for application to redemption of loan capital.

The fact cannot be too often emphasised, that these services were **not** established to yield profits above working expenses, and charges for interest on loan capital and depreciation, hence the large excess credit of £1,690,044 should not be treated as a pure and final credit to the Revenue, that is to say, **these moneys should not be regarded as applicable year in and year out to expenditure on ordinary administrative functions.** The Government has to some extent recognised this principle by allocating annually portion of the moneys of the Public Works Fund—which, as formerly stated, has been almost wholly built up from surplus Revenue—for expenditure on construction and renewal works of these Undertakings. On the other hand, attention should be drawn to the fact that the **aggregate of the deficiencies** in working of the Railways for back years amount to £3,709,418. For further particulars of transactions of Corporate Bodies, see Part III of this and previous Annual Reports.

CONSOLIDATED REVENUE FUND AS A WHOLE.

Bringing together the **totals of the two groups**, "Governmental" and "Business Undertakings of the State," for each year, the following will be the collective Receipts and Disbursements (proper) of the Consolidated Revenue Fund for periods shown:—

	Receipts (Proper).	Disbursements (Proper).
	£	£
1901-2 ...	11,029,688	11,011,167
1902-3 ...	11,296,125	11,469,190
1903-4 ...	11,248,462	11,326,007
1904-5 ...	11,336,918	11,195,075
1905-6 ...	12,273,066	11,376,848
1906-7 ...	13,387,345	11,876,657
1907-8 ...	13,954,618	12,093,497

The expenditure of 1906-7 and 1907-8 does not include grants in aid of, and transfers to Public Works and Closer Settlement Funds, which amounted in the former year to £918,051, and during the latter year to £1,604,479. The outgo of the last two years, notwithstanding the exclusion of the heavy amounts transferred to the above funds, was considerably in advance of the figures of former years; but, if the totals in each group be examined, it will be seen that a considerable proportion of the increase is due to the transactions of the Business Undertakings, which, as formerly emphasised, are yielding satisfactory results.

ANNUAL

ANNUAL EXPENDITURE PRIOR TO FEDERATION, AND NOW.

On a previous page it was shown that the expenditure under the group "Governmental," during the last seven years, ranged from £4 11s. 1d., in 1902-3, to £3 16s. 10d. in 1907-8. The figures of the last-mentioned year, and also those of 1906-7, are, however, exclusive of a large expenditure on Public Works and Buildings charged to the Public Works Fund. If allowance be made for these amounts, the rates *per capita* for the two years were, as previously shown, £4 5s. 6d. and £4 8s. 5d. respectively.

The results of 1905-6 therefore exhibit the minimum rate during the whole period of review, but if compared with the amount *per capita* for 1899-1900, £3 17s. 2d., the last full financial year prior to federation, the 1905-6 figures show a decided advance. **This, however, is the result of a bald comparison of totals.** If an **analysis of the expenditure** during 1899-1900 and 1907-8 be made, it will be seen that the major portion of the increase is due to obligations imposed by fresh legislation. **The results of the analysis are:—**

Governmental.

	Absolute.		Per Capita.	
	1899-1900.	1907-8.	1899-1900.	1907-8.
Consolidated Revenue Fund:—	£	£	s. d.	s. d.
Legislative	81,164	99,539	1 3	1 3
State Pensions and Gratuities	32,349	*187,890	0 6	2 5
Old-age Pensions, Invalidity and Accidents		538,131	.....	6 10
Works—Buildings and Services	877,398	406,669	13 1	5 2
Lands and Settlement	293,558	339,155	4 5	4 4
Education and Science	777,523	1,082,692	11 7	13 10
Hospitals and Benevolence	396,874	484,318	5 11	6 2
Bubonic Plague	84,451	2,320	1 3	.....
Administration of Justice and Police	691,897	789,099	10 3	10 1
Pastoral, Agricultural, and Mining	159,342	179,804	2 3	2 3
Local Government—Endowments, &c.	31,970	221,854	0 5	2 10
Public Debt—Interest (other than Business Undertakings)	670,314	668,328	10 0	8 6
Sinking Fund Redemptions, Cost of Management of Debt, and Interest on Deposits	299,449	427,889	4 6	5 6
General	790,235	599,294	11 9	7 8
	5,186,524	6,026,982	3 17 2	3 16 10
Public Works Fund:—				
Works—Buildings and Services ... ..	.....	831,825	.....	0 10 7
Local Government Endowments, &c. ... ..	.....	78,086	.....	0 1 0
Total	£ 5,186,524	6,936,893	3 17 2	4 8 5

* The total of Pensions and Gratuities given on pages 153-4 does not agree with these figures, for the reason that the above represents payments from Revenue only.

The heads under which the increases and decreases have taken place are as follow:—

Increases—	s. d.	s. d.
State Pensions and Gratuities	1 11	
Old-age Pensions, Invalidity and Accidents	6 10	
Works—Buildings and Services	2 8	
Education and Science	2 3	
Hospitals and Benevolence	0 3	
Local Government—Endowments, &c.	3 5	
Sinking Funds Redemptions, Cost of Management of Debt, and Interest on Deposits	1 0	
Total		18 4
Decreases—		
Land and Settlement	0 1	
Bubonic Plague	1 3	
Administration of Justice and Police	0 2	
Public Debt—Interest (other)	1 6	
General	4 1	
		7 1
Net Increase...		11 3

During

During the intervening period the Old-age Pensions Act, the Public Service Superannuation Act, the Local Government Act, and other measures have been passed, **which have imposed heavy statutory obligations on the Revenue**, and the results of the application of these measures are reflected in the increases shown.

The foregoing returns conclusively show that, **from the last year of the old régime, and during Federation**, the expenditure under the head of "Governmental" has shown no expansion, from an absolute standpoint, beyond what may be expected from a healthy development, whilst if a comparison of results be made within the period, it will be seen that the rate *per capita* during 1907-8 (even after including the expenditure from the Public Works Fund) was less by 6d. per head than that of 1901-2, and 2s. 8d. less than that of 1902-3.

As regards the expenditure under the head of **Business Undertakings** (including interest on loan capital), the figures are :—

Division.	Absolute.		Per Capita.		
	1899-1900.	1907-8.	1899-1900.	1907-8.	
	£	£	£ s. d.	£	s. d.
Business Undertakings	3,839,464	6,066,515	2 17 2	3 17	4

During the period covered, the expenditure has increased by £2,227,051, or £1 0s. 2d. per inhabitant ; but as the results of the working of the Railways and Tramways, Sydney Harbour Trust, and Water and Sewerage services are satisfactory, the expansion is an index of profitable development.

Bringing together the **Expenditure under each group**, the following will be the results :—

Division.	Absolute.		Per Capita.		
	1899-1900.	1907-8.	1899-1900.	1907-8.	
	£	£	£ s. d.	£	s. d.
Governmental	5,186,524	6,026,982	3 17 2	3 16	10
Public Works Fund ... ..	.....	909,911	.....	0 11	7
Business Undertakings	3,839,464	6,066,515	2 17 2	3 17	4
Public Works Fund ... ..	.....	42,742	.....	0 0	7
Departments transferred to Commonwealth—					
Customs, Defence, Postal, &c....	1,047,819	.....	0 15 7	.....
Totals	£ 10,073,807	13,046,150	7 9 11	8 6	4

The above statement affords another striking illustration of the necessity of making an analysis of the expenditure, before coming to conclusions as to the results of Treasury administration or of the State policy.

Taking the **aggregation of the totals** of the two years, the figures show a pronounced expansion in the latter period ; but the analysis discloses that either the increase was necessary to keep pace with ordinary requirements and fresh developments, or that the additional expenditure on Business Undertakings was justified, as previously shown, by working results.

DEFICIENCY.

The attached **Diagram B** and tabular statement have been prepared, with a view of illustrating the condition of the Consolidated Revenue Account, during the period of the Accumulated Deficiency, 1886-1908. That period succeeded one in which opposite conditions obtained, as during 1871-1884 money flowed into the Treasury in such a volume that a **heavy surplus accumulated, rising at the close of 1882 to £3,888,753.** On 31st September, 1886, or four years later, **this large credit gave place to a deficiency of £1,286,581,** and from that date until the present an adverse balance has been current.

Parliament, with the object of **distributing the burden of liquidation over a series of years**, and placing the Revenue Account on a proper footing, decided that the deficit should be paid off at the rate of £150,000 per annum ; later this amount was raised to £250,000. In 1905 a statute was passed making available annually a further sum ranging up to £50,000. This payment, however, is a conditional one, as it is contingent on the Revenue being in credit, at the close of the financial year, and also ceases on the redemption of the Bills issued to cover the latest addition to the Funded Deficit, viz., £336,890.

Liquidation

Liquidation by instalments was first applied during 1890 ; but, in five years only has the operation of the statute effected the full realisation of its object ; in seven years it was partly effected, and in the remaining periods the result was a heaping up of the burden, instead of a reduction thereof. In accordance with law, Treasury Bills to the face value of the statutory amount, have been redeemed annually, but in the years when the Revenue was not in a position to meet the full obligation, the shortage became automatically part of the cash deficiency.

The following statement gives the particulars of the Deficiency during each year shown ; for particulars of years not shown reference should be made to page 188 of 1904-5 Report and the accompanying **Diagram B** :—

Accumulated Deficiency.

Year.	Deficiency at beginning of Year.	Annual Instalment in Liquidation, Statutory.	Statutory Deficiency at close of Year, as per Treasury Statement.	* Actual.	Results of each Year.	
					Difference between (1) and (4).	
	(1)	(2)	(3)	(4)	Decrease.	Net Increase.
31st December, 1886 ...	.....	.....	1,286,581	.....	.....	1,286,581
31st „ 1891 ...	1,918,625	150,000	1,768,625	2,535,187	.....	616,562
30th June 1897 ...	2,839,527	150,000	2,689,527	3,051,637	.....	212,110
„ 1898 ...	3,051,637	150,000	2,901,637	3,043,576	8,061	.....
„ 1899 ...	3,043,576	150,000	2,893,576	2,902,392	141,184	.....
„ 1900 ...	2,902,392	150,000	2,752,392	2,772,202	130,190	.....
„ 1901 ...	2,772,202	150,000	2,622,202	2,779,813	.....	7,611
„ 1902 ...	2,779,813	150,000	2,629,813	2,714,407	65,406	.....
„ 1903 ...	2,714,407	250,000	2,464,407	2,711,982	2,425	.....
„ 1904 ...	2,711,982	250,000	2,461,982	2,501,690	210,292	.....
„ 1905 ...	2,501,690	250,000	2,251,690	2,064,517	437,173	.....
„ 1906 ...	2,064,517	250,000	1,814,517	918,392	1,146,125	.....
„ 1907 ...	*918,392	300,000	1,561,632	90,288	828,104	.....
„ 1908 ...	*90,288	300,000	1,214,516	† Nil.	90,288	.....

* Include Cash Balances not used in reduction.

† Net Credit Balance £462,408.

The Deficiency reached its maximum at the close of 1896-7 when a total of £3,051,637 was reached. On the 1st July, 1908, the Deficiency Bills current amounted to £1,214,516, but if the Cash Balance of the Revenue Account on 30th June, 1908, amounting to £1,676,924 be placed against this liability, it will be seen that the strength of the Revenue at the date mentioned was not only sufficient to cover the outstanding Bills, but there would have been a net cash credit balance of £462,408 available to carry forward to 1908-9.

Public Works and Closer Settlement Funds.

These two Funds were established during September, 1906, under the “Public Works and Closer Settlement Funds Act,” which was assented to on the same date.

The Public Works Fund was opened, and is maintained by credits from—

Revenue.

Public Schools Property Fund ;

and the Closer Settlement Fund, by credits from—

Revenue.

Assurance Fund Real Property Act.

Proceeds of loans raised under Closer Settlement Acts.

Deposits and Repayments of Instalments.

Until this Act was passed all Revenue Collections derived from sales of the public estate, were treated as “income” available for general purposes ; now two-thirds of the net proceeds (*less interest and 20 per cent. for administration and charges*) are transferred annually to the Public Works Fund for expenditure on construction and renewal of public works.

Under a ruling of the Attorney-General, the appropriations under either fund, remain alive until exhausted, practically following the custom observed in connection with the Loan Votes, but contrary to that applied to Revenue Votes, which lapse at the close of each financial year.

PUBLIC

ACCUMULATED DEFICIENCY as represented by OUTSTANDING TREASURY BILLS and CASH OVERDRAFT at the close of each Financial Year, 1886-1908.

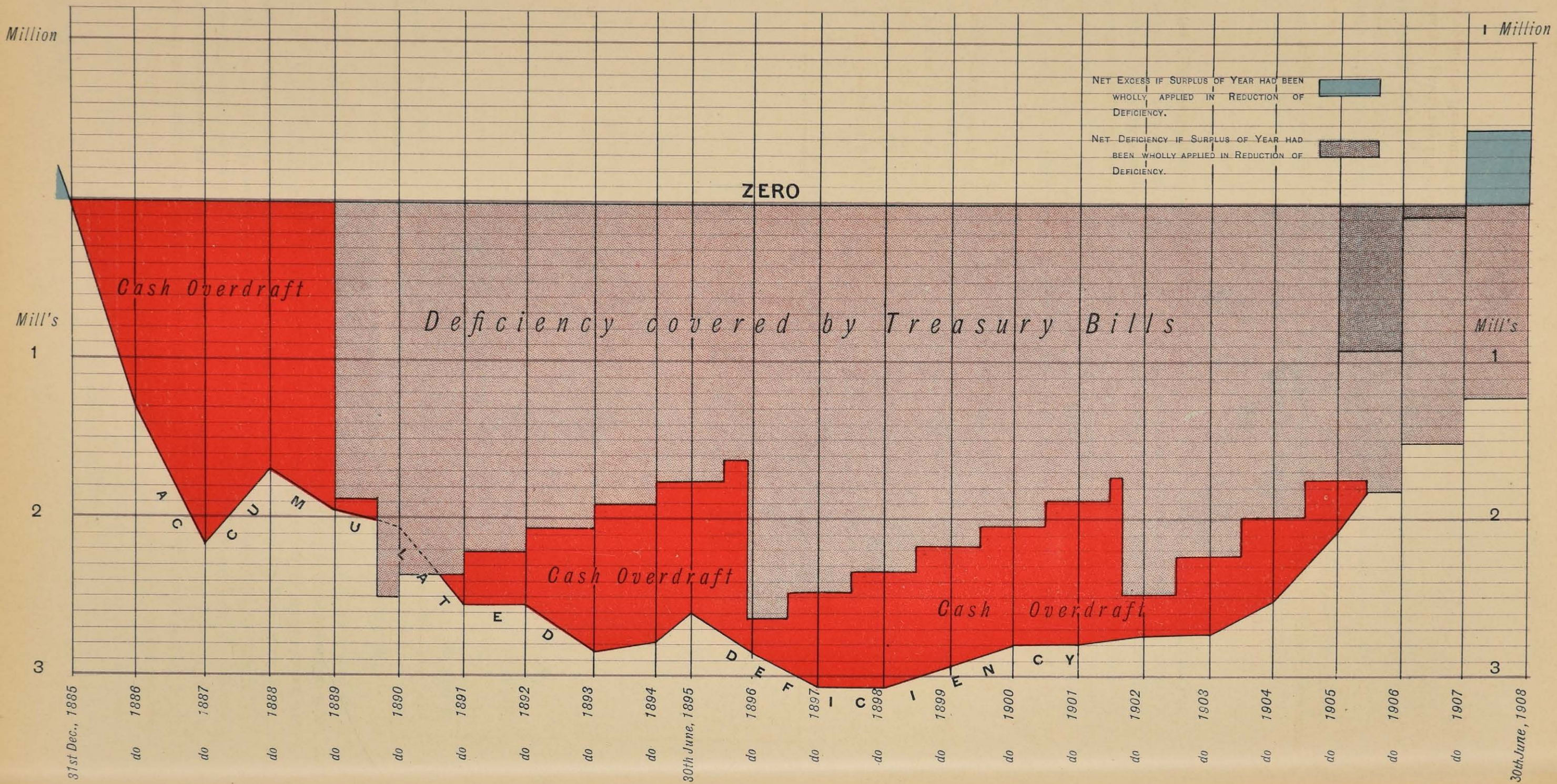


DIAGRAM B.

Accumulated Deficiency, 1886-1908.

PUBLIC WORKS FUND.

The Public Works Fund, may be regarded as an intermediate account between the Revenue and General Loan Accounts, as it has been designed to meet expenditure on services, formerly a direct charge to either of the main Accounts; it should, however, be emphasized that as the Fund is financed almost wholly from the Consolidated Revenue Fund, the liabilities in the aggregate of the latter Fund have not been diminished by the change. **Nevertheless, this Fund, if economically administered, will always be available to afford relief to the Revenue Fund, in those years when it is necessary on the score of economy and reduced income to restrict the outgo;** whilst by its agency the Consolidated Revenue Fund, can be to a large extent relieved of direct charges on account of construction and renewal of public works.

The Fund is intended also to relieve the General Loan Account, of many charges on services not directly reproductive, in fact, it was mainly through the operations of this account that the Treasurer was able to limit to a great extent the application of loan appropriations of recent years to development of Business Undertakings.

The following is a **Summary** of the Receipts and Disbursements from inauguration of the Fund in September, 1906, to 30th June, 1908:—

Receipts :—

From Revenue :—	£	£
Proceeds of Sales of Crown Lands	1,122,530	
Grants in Aid	1,000,000	
Under Public Instruction Act :—		
Proceeds of Sales of Lands	2,413	
Total Receipts		£2,124,943

Disbursements :—

Business Undertakings :—		
Railways and Tramways	113,365	
Metropolitan Water and Sewerage Services	21,703	
Hunter District Water Supply and Sewerage Services...	5,000	
Works generally	1,083,378	
Grants to Shires and Public Bodies	156,805	
Total Disbursements		1,380,251
Balance unexpended, 30th June, 1908		£744,692

The yearly expenditure out of this Fund on account of **construction** and **renewal works** of Business Undertakings, should afford some compensation for the net profits of these services, paid into Revenue, as the **expenditure on construction** of Railways, Tramways, Works under the Sydney Harbour Trust and the Metropolitan and Hunter District Boards of Water Supply and Sewerage, although debited to the respective Capital Accounts, **will not bear interest**, whilst the amount **expended on account of renewals**, is, to all intents and purposes, a **free gift to those bodies**. The payments from Revenue to Sinking Funds for application to the redemption of loan capital will also further absorb the excess credits.

CLOSER SETTLEMENT FUND.

This Fund is on an **entirely different basis** to that of the Public Works Fund, as the money at credit represents so much circulating capital, for employment in the purchase of estates for Closer Settlement, which will later be returned to the Account on the deferred-payment system.

The major portion of the contributions has been received from the Consolidated Revenue Fund, although the balance at credit of the Assurance Fund Real Property Act transferred amounted to the considerable sum of £255,059, and there is a steady recurring credit annually of some £10,000 from the same source.

The

The payments from Revenue are conditional, on Parliament annually appropriating the money. To some extent, these conditions obtain in respect of the credits to the Public Works Fund, but the strength of that account is fortified by the special appropriation, whereby annually there is assured two-thirds of the net proceeds of the sales of the public estate (*less certain deductions*).

The contributions from Revenue to the Closer Settlement Fund are therefore conditional, not only as regards the appropriations, but on ability of the Revenue to meet the charge. During the life of this Fund, the strength of the Revenue has been fully maintained, but any weakening of the elasticity will be reflected in its contributions thereto, especially as the Public Works Fund is entitled to have prior claim. The elasticity of the finances may be affected, by the anticipated shrinkage in the amount returnable by the Commonwealth, so if a liberal policy of Closer Settlement be followed, the bulk of the future contributions will no doubt be paid out of Loan moneys. As a matter of fact, arrangements are now being made to obtain authority to issue a loan of £2,000,000 for application to this service.

The inflow to the fund under the head of repayments, must proportionately increase with the expanding business. These credits should appreciably strengthen the available balance, and render the need for the periodical additions to capital less pressing. The repayment instalments carry 4 per cent. interest, consequently those repayments on account of farms purchased in the Gobbagombalin and Marrar settlements, which were acquired, without any assistance from Loan capital, are final receipts to the Fund.

Up to the present only one loan has been floated. Debentures to the value of £131,100 were issued at par and with no expenses attached. The £131,100 realised, together with £7,900 obtained from the general balance of the Loan Account, in all £139,000, were used in the purchase of Myall Creek Estate. The Debentures carry an annual interest liability of £5,244.

The following is a Summary of the Receipts and Disbursements of the Closer Settlement Fund, according to the Treasurer's Accounts, from its inauguration in September, 1906, to 30th June, 1908:—

						£	£
Receipts:—							
Grants in aid from Consolidated Revenue Fund	...	...	...	...	...	400,000	
Assurance Fund, Real Property Act	...	...	...	...	...	255,059	
Fees under Real Property Act	...	...	...	...	...	19,805	
On account Myall Creek Settlement	...	...	...	...	...	12,052	
„ Gobbagombalin	„	...	...	...	...	11,093	
„ Marrar	„	...	...	...	...	3,817	
Total Receipts							701,826
Disbursements:—							
Purchase Gobbagombalin Estate	...	...	...	...	...	207,560	
Contingent Expenses	...	...	...	...	...	1,877	
Purchase of Marrar Estate	...	...	...	...	...	68,772	
Contingent Expenses	...	...	...	...	...	579	
Recoup to Revenue Account for payment of Interest on Debentures issued in the purchase of Myall Creek Settlement	...	...	...	...	...	10,472	
Under Real Property Act	...	...	...	...	...	121	
Miscellaneous	...	...	...	...	...	2,441	
Total Disbursements							291,822
Balance unexpended, 30th June, 1908							<u>£410,004</u>

Particulars on the results of working of the Closer Settlement Act, and details of the financial transactions in connection with each estate acquired, will be found on pages 157-8.

Loan Appropriations.

As formerly emphasised, when describing the constitution of the Public Works Fund, the appropriations of Loan Moneys are now largely confined to the development of Business Undertakings; expenditure on services indirectly productive or of an ephemeral nature, which formerly figured largely in the Loan Appropriation Acts, being, as a rule, met by appropriations from the Public Works Fund, which has been created primarily to meet such charges.

The

The following shows the **Loan Appropriations** during the two years the Public Works Fund has been in operation :—

	1906-7.		1907-8	
	£	£	£	£
Business Undertakings—				
Railways and Tramways	707,470		1,880,531	
Harbour Works, Port of Sydney	55,080		79,850	
Water and Sewerage Services	368,250		352,600	
		1,130,800		2,312,981
General—				
Harbours and Rivers	} Nil		40,000	
Abattoirs			85,000	
Other			33,000	
				158,000
Total for Works		1,130,800		2,470,981
Renewal of Loans		550,000		1,500,000
Grand Total		£1,680,800		£3,970,981

If the principle recognised in the drafting of the 1906-7 and 1907-8 Loan Appropriation Acts be maintained, **one will look in vain for appropriations on behalf of hospitals, fire-brigade stations, benevolent educational and insane institutions, and services of a like nature.** A new standard has been established, which it will be well to observe in the drafting of successive loan appropriations; such, however, **could not have been adopted** without the aid of the Public Works Fund

Loan Receipts and Disbursements:

During the **ten years** ended 30th June, 1908, the amount credited to the General Loan Account reached a total of £37,027,771, of which £19,596,214 were obtained locally, and the balance £17,431,557 in London. The **Receipts** for each year were :—

	London.	Local.			Total Net Proceeds.
		Investment of Trust Funds by Treasury.	Open Market.	Total.	
	£	£	£	£	£
1898-9	.....	537,490	414,256	951,746	951,746
1899-1900	991,250	7,500	718,588	726,088	1,717,338
1900-1	986,250	520,000	1,514,659	2,034,659	3,020,909
1901-2	3,744,918	20,000	951,547	971,547	4,716,465
1902-3	4,418,941	.....	1,940,802	1,940,802	6,359,743
1903-4	2,159,169	7,000	1,333,522	1,340,522	3,499,691
1904-5	1,951,491	1,006,000	1,655,300	2,661,300	4,612,791
1905-6	2,179,538	399,000	2,415,705	2,814,705	4,994,243
1906-7	.....	.....	2,820,873	2,820,873	2,820,873
1907-8	1,000,000	.....	3,333,972	3,333,972	4,333,972

These transactions are graphically illustrated in the accompanying **Diagram C.**

During the same period, the **Net Expenditure** on account of Public Works and Services was as follows :—

	Business Undertakings.	General Works.	Darling Harbour Resumptions.	Total.	
				Absolute.	Per capita.
	£	£	£	£	£ s. d.
1898-9	1,063,331	971,777	.....	2,035,108	1 10 9
1899-1900	1,188,670	1,022,911	.....	2,211,581	1 12 0
1900-1	1,436,723	1,267,183	42,013	2,745,919	2 0 4
1901-2	2,636,719	978,487	1,325,689	*4,940,895	3 11 10
1902-3	2,217,369	762,661	1,620,451	4,600,481	3 5 7
1903-4	1,188,539	319,837	707,242	2,215,618	1 11 1
1904-5	815,371	†390,925	364,493	†1,570,789	1 1 7
1905-6	886,117	253,833	143,045	1,282,995	0 17 2
1906-7	733,813	248,310	76,430	1,058,553	0 13 10
1907-8	1,775,810	138,189	51,330	1,965,329	1 5 0

* Exclusive of £1,550,000 Revenue and Trust Funds Advances. † Includes £139,000 expenditure on Closer Settlement.

These transactions are illustrated on the accompanying **Diagram D.**

The

The Loan expenditure *per capita* during 1901-2 was £3 11s. 10d.; in 1906-7 the amount had declined to 13s. 10d.; during 1907-8, however, the rate increased to £1 5s., a considerable advance on the figures of the three previous years. **The high rate during 1901-2 was largely influenced by the heavy expenditure, on account of Darling Harbour Resumptions; but if every allowance be made for this item in that year's figures, it will be seen by reference to the aforementioned Table that the expenditure during the three years ended 1906-7 was on a very much reduced scale, whilst research has disclosed that for a parallel, it is necessary to go back a quarter of a century.**

The **Annual Expenditure** from the General Loan Account **on loans renewed** was as follows:—

Year.	Expended on Loans Renewed.	Year.	Expended on Loans Renewed.
	£		£
1898-9	369,200	1903-4	473,100
1899-1900	6,100	1904-5	2,062,900
1900-1	857,000	1905-6	1,835,500
1901-2	2,922,400	1906-7	2,077,500
1902-3	401,800	1907-8	3,617,600

The total Loan expenditure on Works and Services to the 30th June, 1908, was £84,887,691, of which £67,076,699 were expended on Business Undertakings, which, as shown in other parts of this Report, are profitably worked. The remaining £17,810,992 have been spent on various services connected with the ordinary development of the State. These figures include a sum of £3,430,647 expended (*by the St te*) on the development of certain services which, under the Federal Constitution, were transferred to the Commonwealth.

So far no definite action has been taken to adjust this amount, beyond valuations of the transferred properties being obtained. As a matter of fact, as will be seen by reference to my remarks on "Federal and State Finance," the last Federal scheme of financial adjustment **proposes that the States shall hand them over as a free gift.**

The following are the amounts under each item, the classification being in accordance with the order observed in the accompanying **Diagram E**:—

Loan Expenditure on Works to 30th June, 1908.

Item.	Amount.
Business Undertakings—	
Railways and Tramways	£51,356,904
Metropolitan Water and Sewerage	9,993,720
Sydney Harbour Trust	5,145,324
Hunter District Water Supply and Sewerage	580,751
	<hr/> £67,076,699
General—	
Public Buildings and Sites	£4,415,965
Harbours and Rivers Navigation	4,392,542
Roads and Bridges	1,801,943
Darling Harbour Resumptions (part of)	1,170,636
Conservation of Water, &c....	1,979,474
Commonwealth Services	3,430,647
Other	619,785
	<hr/> 17,810,992
Total	<hr/> £84,887,691 <hr/>

The net annual return from Services constructed out of Loan capital now **exceeds**, as previously shown on page 153, the amount payable annually for interest on the Public Debt.

Public Debt.

By a reference to my last Report, it will be seen that the total outstanding Liability of the State for Loans raised was shown (page 194) to be £33,917,999—bearing an annual interest liability of £3,052,897. That of this total liability, there was invested in Business Undertakings £66,982,999, having an annual liability of £2,431,371. That these Business Undertakings returned a net profit, over all costs, of £571,367, and thus accounted for a total return of £3,002,738, or within £50,159 of the total annual charge of £3,052,897.

But

DIAGRAM C.

PROCEEDS OF SALES of Government Securities Credited to GENERAL LOAN ACCOUNT—DISTINGUISHING amount RAISED IN LONDON during each Financial Year 1898-1908.

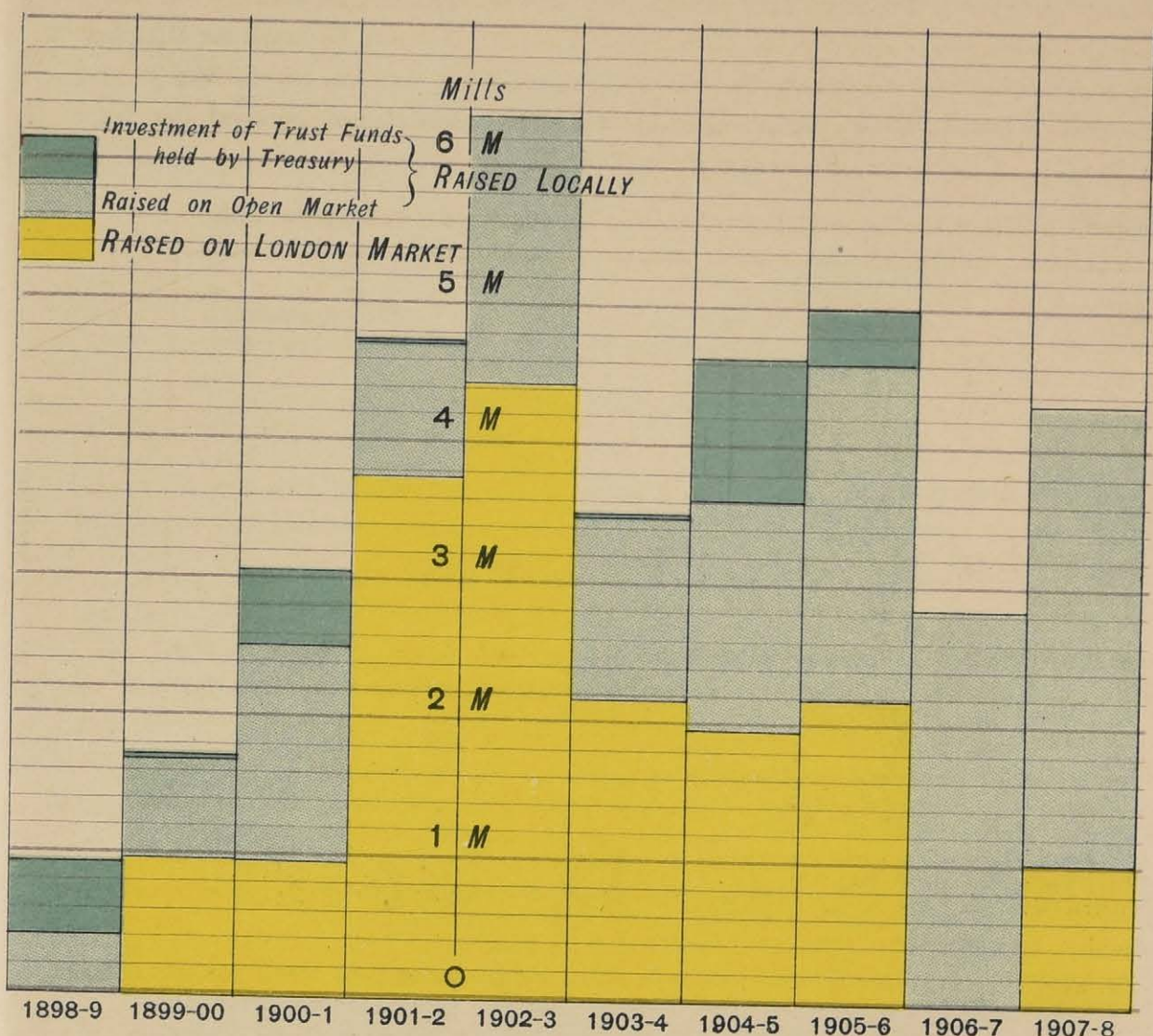


DIAGRAM D.

LOAN EXPENDITURE during each Financial Year 1898-1908.

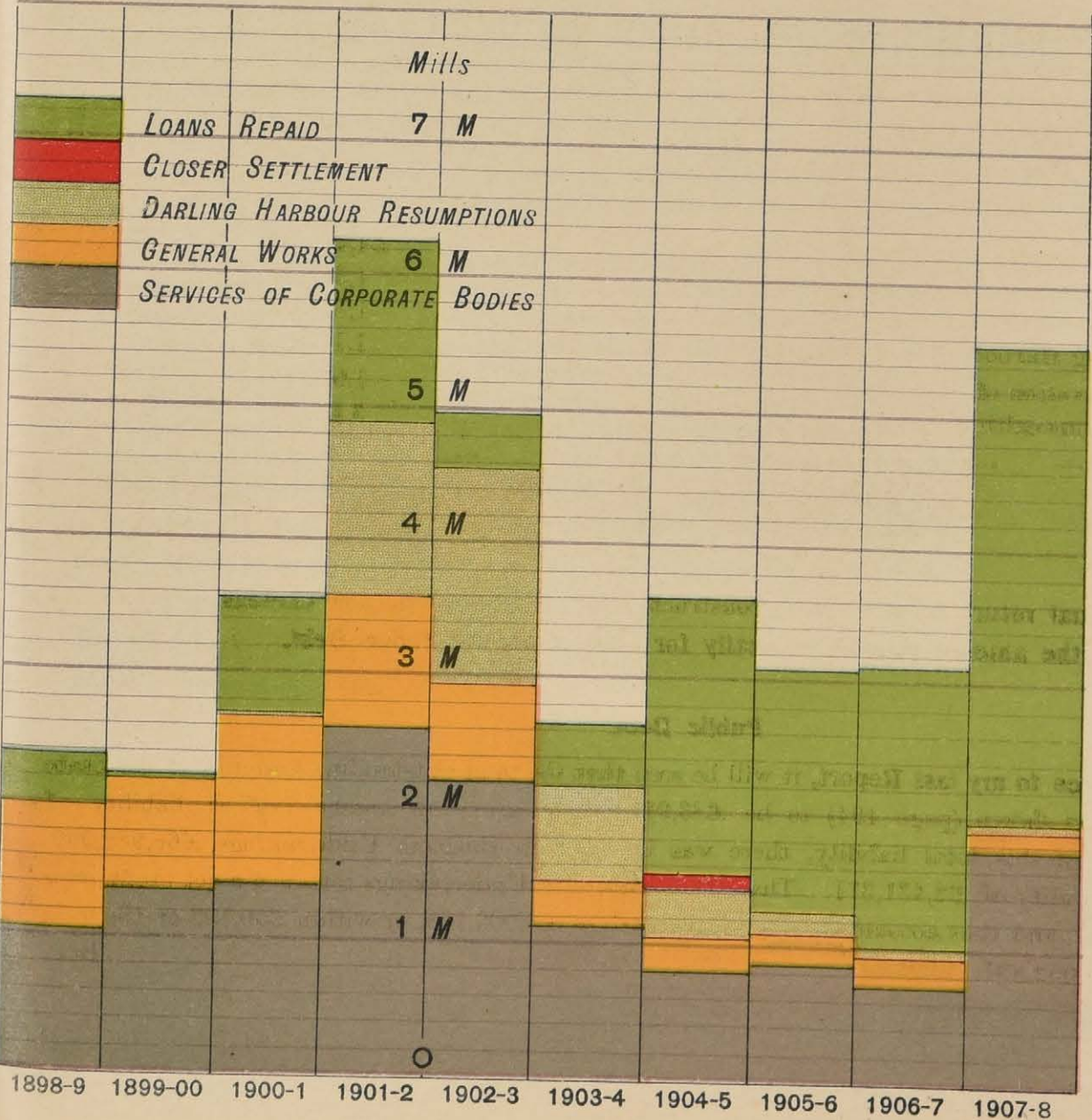
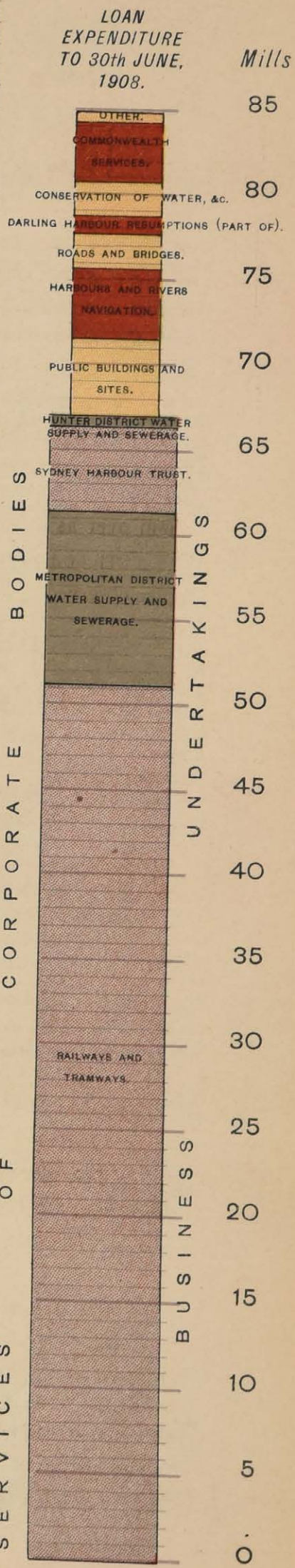


DIAGRAM E.



DIAGRAMS C, D, AND E.

Proceeds of Sales of Government Securities, Loan
Expenditure during each Year, 1898-1908, and
Loan Expenditure to 30th June, 1908.

But in the total sum named was included an amount for interest of £124,564, which should have been defrayed by the Commonwealth Government, being for Properties transferred to them under the Federal Constitution Act, and as well £1,469 on account of the State of Queensland for payments made before separation.

The above are the actual figures, as now shown in the Accounts, but if it be desired to ascertain with exactness the actual and contingent liabilities proper of the State of New South Wales, the figures on being subjected to analysis show as follow, viz. :—

	£	£
Total Stocks	83,917,999	
Less for Commonwealth, &c.	3,458,904	
		80,459,095
Interest payable	3,052,897	
Less for Commonwealth, &c.	126,033	
		2,926,864
Interest returned by Business Undertakings		3,002,738
Surplus over all charges		£75,874

It will thus be seen that the Business Undertakings not only paid all the interest properly due by the State, but also returned an excess of £76,000, in round figures.

In "Bastable on Public Finance" the following paragraphs occur (pp. 680-684) where in writing on the theory of Public Debt, it is stated :—

"Some important questions arise respecting the absolute amount of public debts, the pressure that they impose on the borrowing States, or other bodies, and the best mode of measuring that burden. For this purpose very different methods may be used. The most obvious is that which takes the nominal capital of the debt as the basis of measurement. Thus, in 1870, France and the United States had approximately the same capital debt, and therefore, it might be said, an equal liability. The defect of this method is evident from the fact that it takes no account of the interest on the borrowed capital, which latter is, moreover, not payable at the creditors' demand. "The public debt," as Lord Grenville put it, "consists not in capital but in annuities, and the capital amount of debt is therefore no guide to the actual burden that it imposes. A second method might be employed by which the actual, instead of the nominal capital value—or in other words, the market price of the stock—would be used as the test, but this again is open to the objection that the real value is incessantly fluctuating, and at any given time represents only the value of the small amount sold, not of the total mass of stock. A third mode, by which a very different result will usually be reached, takes the interest charge as the measure; for example in the just-mentioned case of France and the United States, as the former had most of its stock at 3 per cent., while the latter paid 6 per cent. on much of its obligations, the comparison was altogether in favour of France. . . .

"Finally, in estimating the weight of public debt, it is necessary to take account of the public assets that are available for its liquidation. The property employed in the discharge of the various public functions cannot be regarded in this light. The buildings and other non-revenue-yielding possessions of any Government could only be sold at the cost of abandoning the discharge of normal administrative duties. Such property is an essential condition of State activity. Very different is that part of private property—the *domaine prive* of French administrative law—which supplies revenue. Land, forests, mines, railways, and other industrial enterprises have all a market value, and would by their sale provide funds that could be employed in paying off debt. The real value of such State property is, therefore, fairly to be set off as a deduction from the debt before computing its capital amount, as for precisely similar reasons its annual yield must be regarded as a mitigation of the interest charge. The importance of this consideration comes out very strongly in respect to countries in the situation of the German states, the Australasian colonies, and the Indian Empire. The greater part of the debt incurred by all these countries has been for the creation of public works, which—be their value more or less than the wealth expended in their creation—are undoubtedly worth very large sums, and if in the hands of private individuals or companies would be regarded as constituents of national wealth. The real debt burden of the countries so situated is much less than the apparent one. It may even be altogether removed.

"For the purposes of this allowance it is quite immaterial whether the property has been created by means of loans, or obtained in other ways. Revenue from the rent of land is as much an aid towards the payment of debt as receipts from railways constructed by loans. The economic revenues of the State are a compensation, more or less effective, for debt expenditure. It is in connection with the original application of loans that the distinction between property obtained by their employment and that otherwise derived comes up for consideration.

Estimates of the real weight of public debts are, it is now plain, by no means easily formed; the considerations to be taken into account are too complex for ready and off-hand treatment. . . . If annual pressure is to be ascertained, interest is more important than capital; if the cost of redemption is wanted, capital or market value should be the primary object of investigation."

Now, if it is desired to ascertain the State burden in debt of New South Wales, the primary consideration is to ascertain what the surplus moneys on the year's working have been.

Thus, in the financial year 1906-7, the actual and proper surplus, as shown on page 144 of my last Report, should have been £1,543,271 5s. 3d., but to this sum must be added the amounts paid by the State Treasurer on account of the—

	£	s.	d.
Interest due by the Commonwealth	124,564	0	0
And as well on a sum due by Queensland	1,469	0	0
	126,033	0	0
Making in all a surplus of	£1,669,304	5	3

remaining after payment of all legitimate debts, properly due by the year, either on its own account or for previous years working. If

If capitalised the sum would be sufficient to pay interest on an additional £55,000,000 or £56,000,000, and this after transferring the whole of the previous year's surplus to other funds for expenditure on works and services.

Now, if the question of the assets in the hands of the Government be considered, it is self evident that the results will be found highly satisfactory, and that the burden of the Public Debt upon the State will be almost covered, if not entirely wiped out by the actual value of the works in hand.

To take the Business establishments in the first instance, here we have a series of flourishing enterprises, which, in the hands of any private company, working on true business lines and for profit, would return a sum largely in excess of the present revenue, which is rated very largely from the point of view of the State's, or public benefit, and that such being the case, the Business Undertakings may be taken as more than providing for themselves, or their financial requirements, with a wide margin of safety as regards rating power.

The Business Undertakings are thus of no burden whatever to the State, and £67,000,000 of the State's public debt is wiped out by the value of the works upon which the money was spent. Not only so but upon proper adjustments being made—that is, the removal of charges for interest now paid on account of States, &c.—it is found that over and above their own liabilities, the Business Undertakings returned a sum of £75,874 in excess of the annual interest charge on the remaining Loan Liabilities of the State, viz., £13,476,096, upon which the interest at the average rate now paid, viz, 3·64 per cent., would amount to £490,530.

It is thus plainly to be seen that during the year 1906-7 the Business Undertakings not only squared their own liabilities, but also relieved the State of any burden on account of Loan Liabilities.

It may be objected, however, that in the above calculation only the moneys invested which entail a liability for annual interest have been taken into consideration, and that there are large expenditures made out of current revenue receipts which, if included, would reduce considerably the results shown, and that, in business undertakings, the net returns should only be shown after a fair interest has been allowed on all expenditure incurred for the purposes of carrying on the works.

Taking, then, the interest bearing Stocks as shown above of £67,982,999 and adding thereto, the amounts expended which did not involve an annual payment for interest, viz., £1,047,950, we have the total sum expended, viz., £68,030,949, upon which the annual interest, at average percentage paid, works out at £2,475,326.

We have, therefore, an increased sum of interest chargeable to the undertakings shown—

Interest on Stocks actually issued	...	...	...	...	...	£2,431,371
Interest calculated on non-interest bearing Capital invested	...	...	...	...	...	43,955
Total	...	...	...	...	...	£2,475,326

This would reduce the excess interest returned by the Business Undertakings from £75,874 to £31,919. And so after treating the returns in a strictly business manner, the Business Undertakings returned a final sum of £31,919 after covering the whole interest liability of the Government, and making a present to the Government for the use of its revenue of £43,955. Thus during the year 1906-7 the Public Debt was no burden at all to the State.

While nothing is more certain than that years will come in which a serious reduction in receipts will take place, most seriously affecting returns, yet taking one year with another, and with the same careful management, it may confidently be asserted that these Business Undertakings have now turned the corner and may in future be looked upon to provide not only for themselves, but also, if the occasion warrants such a course, any excess receipts of working these services might be treated as supplementary to the ordinary Revenue collections.

The figures of 1906-7 have been used on account of it not being possible to establish data for 1907-8 without involving considerable time and labour.

Comparative Return.

On 30th June, 1902, the net Public Debt, exclusive of Revenue Deficiency Bills, was £72,606,686, or £52 15s. 10d. per inhabitant. Six years later the net debt had increased to £86,888,864, and the rate per capita to £55 7s. 7d.

As will be seen by a foregoing statement some four and a quarter millions have been expended during the intervening period on the Darling Harbour Resumptions.

In

In establishing the **total of the Amended Debt**, the **Revenue Deficiency Bills** have been excluded, whilst allowance has been made for the amounts at **credit of the Accumulated Sinking Funds**, and the **balance at credit or debit** of the **Loan Account** at the close of the respective years.

The **Gross and Amended Debt**, and the rate *per capita*, were as follow:—

				Gross Debt (exclusive of Revenue Deficiency Bills).	Amended Debt.			
					Total.	Per capita.		
				£	£	£	s.	d.
1901-2	...	...	...	69,114,859	72,606,686	52	15	10
1902-3	...	...	...	75,465,361	77,473,407	55	4	2
1903-4	...	...	...	78,055,955	79,654,291	55	16	2
1904-5	...	...	...	80,594,372	81,143,479	55	13	8
1905-6	...	...	...	83,827,218	82,387,713	55	4	7
1906-7	...	...	...	84,046,200	83,030,533	54	7	8
1907-8	...	...	...	86,421,310	86,888,864	55	7	7

INTEREST—PUBLIC DEBT.

The payments on account of interest on the Public Debt increased from £2,440,226 in 1901-2 to £2,942,393 in 1907-8, or an increase *per capita* of 2s. 1d. The greater portion of this increase, however, was due to the development of the Business Undertakings—a justifiable expansion, as these services are paying concerns. The following was the **Annual Payment on account of Interest**, on public debt under the accepted headings shown:—

			Business Undertakings.	Governmental or General Services.	Total.		
					Absolute.	Per capita.	
			£	£	£	£	s. d.
1901-2	...	...	1,891,592	548,634	2,440,226	1	15 5
1902-3	...	...	1,906,903	637,219	2,544,122	1	16 3
1903-4	...	...	2,005,421	672,783	2,678,204	1	17 6
1904-5	...	...	2,069,861	727,367	2,797,228	1	18 4
1905-6	...	...	2,136,649	752,266	2,888,915	1	18 8
1906-7	...	...	2,229,708	762,351	2,992,059	1	19 2
1907-8	...	...	2,318,517	623,876	2,942,393	1	17 6

The increase in interest has not been commensurate with that in principal. This is largely due to the fact, that the Loan Account was during the earlier years of the period financed to a large extent by the aid of the General Banking Account, consequently a proportion of the payments on account of interest appeared, in those periods, in the total of the earnings of the auxiliary funds.

STOCK MARKET.

The loan policy of New South Wales was inaugurated by the issue of a local loan of £49,500 in 1842. From that year, until 1854, all loan moneys required were obtained from the same source. In the latter year, the operations were extended to London. It was the first external loan placed by an Australian Government, and this initial essay marked an epoch in the history of these States.

On the 30th June, 1908, the **Public Debt**, as represented by outstanding securities, was £87,635,826, the amounts on the respective registers being—

London	...	...	...	...	...	£64,689,450
Sydney	...	...	...	...	...	*22,946,376
Total	...	...	...	...	...	£87,635,826

* Includes £1,214,516 Treasury Revenue Deficiency Bills.

LOCAL MARKET.

The local commitments come under two classes—those issued within the Treasury, and those placed on open market. The former represent investment of surplus moneys, held in trust under statute, regulation, or agreement; the amount of these investments, therefore, is largely regulated by circumstances, foreign to the ordinary transactions, connected with the issues of stock, but as the major portion of the trust funds from which these investments were usually made, has been placed under an outside Commission, these internal transactions will to a large extent cease.

The

The capabilities of the local market have not been fully exploited; its range, however, is limited. The State can depend upon it for the successful issue of short-dated stock, a class of investment suitable to the environment. These issues, unlike those negotiated in London, carry practically no expense of flotation, as the Treasury invariably issues the stock on a par basis, whilst brokerage is paid on a limited amount only.

As the interest is paid locally, exchange in London is avoided, whilst the State benefits by the local circulation of dividends, and the income tax derivable therefrom; and also by the fact that, with the increasing self reliance, the State's securities will command a higher appreciation in London. Sales to outside buyers are effected daily at the Treasury.

The transactions during 1907-8 were:—

3½ per cent. Funded Stock sold	...	...	£3,342,710
Average per cent. sold	...	...	100
Brokerage	...	...	9,200
Net proceeds	...	...	3,333,510

It has been contended that the practice of conducting sales at the Treasury, without any intermission, discourages open market transactions; but present experience does not justify an immediate consideration being given to the question. At present the open market movements are sluggish, the volume of transactions between buyer and seller being relatively small; but the time must come when Government stock will be as popular a form of investment as the higher grade stocks and shares of private companies.

The action of the State Debt and Sinking Fund Commissioners, purchasing in the market as ordinary buyers, and the practice now recognised of allowing transfers of stock from the London Register, should strengthen the open market transactions. During 1907-8, 3½ per cent. Funded Stock to the value of £64,990 on the London Register was transferred to Sydney. The scrip was owned by the Government Savings Bank—the transfer, therefore, was made at the initiation of the Government and by permission of the Commissioners.

LONDON MARKET.

The Bank of England has been the agent of the State for the inscription and management of Inscribed Stock Loans since 1883, the year in which the local Inscribed Stock Act was passed in conformity with the provisions of the Imperial Colonial Stock Act of 1877.

Up to 1906 this practice prevailed. In that year, the State employed the London and Westminster Bank to negotiate a 3½ per cent. Inscribed Stock Loan of £2,000,000, and during March, 1908, the same institution issued a 3½ per cent. loan of £3,000,000. Prior to 1906 the operations of the London and Westminster Bank were confined to the issue on behalf of the State of Treasury Bills, and in former years to the raising of loans by Debentures.

The £2,000,000 loan floated during 1906, was issued at a minimum of 99½ per cent., and realised £99 10s. per cent. gross and £97 0s. 5d. net. The annual cost per cent. to the State, and the annual yield to the original investors, after allowing for redemption at par at the minimum and maximum dates, are:—

ates, are:—

1930.			1950.		
Annual Cost per cent. to the State.					
Effective Rate.	Loss by Redemption at par on maturity.	Total.	Effective Rate.	Loss by Redemption at par on maturity.	Total.
£ s. d. 3 12 9½	£ s. d. 0 1 7	£ s. d. 3 14 4½	£ s. d. 3 12 9½	£ s. d. 0 0 7	£ s. d. 3 13 4½
Annual Yield per cent. to Investor.					
Effective Rate.	Gain by Redemption at par on maturity.	Total.	Effective Rate.	Gain by Redemption at par on maturity.	Total.
£ s. d. 3 11 8	£ s. d. 0 0 9	£ s. d. 3 12 5	£ s. d. 3 11 8	£ s. d. 0 0 3	£ s. d. 3 11 11

Similar particulars of the $3\frac{1}{2}$ per cent. £3,000,000 loan issued during March, 1908, **cannot be given as the detailed information is not to hand.** This loan, like that of 1906, was largely underwritten, only some 10 per cent. being taken up by the public. The minimum price of issue was £100 for £100 stock, but as about 90 per cent. was underwritten, that portion will be saddled in addition to the ordinary charges with a further $1\frac{1}{4}$ per cent.

Under an agreement authorised by Order of Council, confirmed 30th July, 1907, provision was made to pay the London and Westminster Bank $\frac{1}{4}$ per cent. commission for the issue of inscribed stock, and £150 per million annually for inscription and management. Under the current arrangement with the Bank of England the rates are $\frac{1}{2}$ per cent. commission for issues, and for management £500 per annum for each of the first ten millions, £450 for each of the next five millions, £400 for the next twenty-nine millions five hundred and twelve thousand five hundred, and £200 per million for all further amounts. **Prior to 1895, the charges in the respective groups were £300, £550, and £500 per million respectively.**

If comparisons be instituted between the terms of agreement between the two banks, it will be seen that the London and Westminster charges $\frac{1}{4}$ per cent. commission less than the other institution and £50 per million **lower** for the annual cost of inscription and management of stock. **There are other advantages,** one of which is that the agency may be terminated at any time after six years on the required notice; **the original agreement with the Bank of England is not so elastic,** the conditions apparently being more favourable to that institution.

A cable message was received from London during July of the present year to the effect that **the Bank of England has reduced the charges for inscription and management of stock by $12\frac{1}{2}$ per cent.** Apparently the reduction does not apply to commission on issues.

The annual liabilities prior to the change amounted to £20,455 made up as follows:—

	£	£	£
First	10,000,000	at 500 per million	5,000
Second... ..	5,000,000	„ 450 „	2,250
Third	29,512,500	„ 400 „	11,805
Balance	7,000,000	„ 200 „	1,400
<hr/>			
Total	£51,512,500		£20,455
Annual liability under the amended rates	...	...	17,899
<hr/>			
Difference ... ..	...	...	£2,556

The annual saving in management expenses on stock current will therefore be £2,556.

The charges of negotiation for External Loans are very heavy, and there seems at present no hope of a reduction being effected. Taken collectively, they are on the increase, as underwriting, a new feature comparatively in the loan operations, is now being regarded as a necessary factor in the negotiations and successful placing of loans. **Its permanency, apparently, is assured,** as the term “successfully underwritten” is now a commonplace market expression, **and finds recognition even in local centres.** Previously, the composition duty of 12s. 6d. per cent. levied by the Imperial Government, was the heaviest item; **underwriting expenses, however, completely eclipses it,** as, in addition to the 1 per cent. charge for this service, a further $\frac{1}{4}$ per cent. is required by the brokers for “arranging for underwriting.”

In weighing the advantages and prospects of the two markets—London and Sydney (*or Australasia*)—the potentialities of the latter are worthy of the fullest consideration. **London, however, certainly offers facilities for the flotation of large issues with long currencies;** but apart from this consideration it is evident that the local market cannot respond to a succession of heavy demands without a strain being imposed on other departments of the money market.

The development of the local market should, however, be a very strong factor in future considerations, as it is very evident that if self-reliance be fostered in financial matters, the credit of the State will markedly improve in London, thus making it possible to issue on better terms, whilst the improved conditions should pave the way for, the elimination from negotiation and issue of inscribed stock loans, of that most undesirable feature, underwriting.

STATE DEBT AND SINKING FUND.

The State Debt and Sinking Fund Act was assented to December, 1904, but did not come into operation until the first day of July, 1905. Under its provisions a **systematic attempt is being made to redeem, absolutely, small parcels of the public debt which under former conditions became renewed liabilities.**

The Fund is under the **independent control** of Commissioners, who are empowered to —

- (1) Operate in London and Sydney,
- (2) Purchase original stock,
- (3) Enter the open market as an ordinary buyer,
- (4) Act as an auxiliary to the Treasury in paying off loans matured.

The Fund was opened by a transfer, on 1st July, 1905, of £454,436 from the Treasury Balances, of which sum £395,017 was cash, and the balance was at fixed deposit in a bank of issue.

The aggregate **Receipts** and **Disbursements** during the period from the 1st July, 1905, to 30th June, 1908, were as follows :—

General Sinking Fund.

Receipts—	£	£	£
Amount transferred from Treasury at inauguration of Fund		454,436	
Contributions from Revenue—			
Fixed annual amount	1,050,000		
Conditional annual contributions	100,000		
		1,150,000	
Repayments—Cost of Construction, Country Towns			
Water Supply and Sewerage Works	2,842		
Repayments under Land Act—Bogan Scrub Clearing	21,251		
Interest on Investments, Deposits and Stocks held	19,372		
		43,465	
Total Receipts			1,647,901
Disbursements—			
Redemptions—			
Revenue Deficiency Bills		850,000	
Debentures		224,900	
Inscribed Stock		350,000	
Total Disbursements			1,424,900
* Balance unexpended 30th June, 1908			£223,001
* The composition of the Balance was as follows —	£	£	
Value of stock purchased on open market	22,701		
Amount on deposit with Colonial Treasurer	49		
Amount on Fixed Deposit	200,250		
Amount Current Account	1		
Total		£223,001 †	

† See footnote, page 159.

Machinery and capital are now in existence for application in the reduction of the Public Debt, and the success which has attended the working of the Fund during the three years of its existence has proved that it is a valuable addition to the Treasury system, and, like the Public Works and Closer Settlement Funds, this account **will be always available for receipt of surplus revenue, and provide a medium for the economic distribution of the Public Funds.**

PUBLIC TRUST OFFICE.

The reforms in the Treasury administration introduced of late years would be fittingly supplemented by the establishment of a Public Trust Office for the **control and administration of all trust moneys** placed in the care of the State by statute, ruling of the Court, regulation, or agreement.

Such an institution comes rightly within the scope of State responsibilities on account of the **continuity of administration, the unquestionable guarantee of safety accompanying all money deposited, the publicity of the transactions,** and the institution **not** being run primarily for profit, it would be in a position to use all surplus moneys, after payment of working expenses, in the full adjustment of losses ; that is to say, the Public Trustee would from his accumulated reserves **repay in full all moneys deposited in trust.**

All

All the Supreme Court moneys now administered by the various officers of the Court might be consolidated and placed under the one administration, thus leaving the purely legal side of the transactions to the respective officers, whilst the Public Trustee could take over the administration of the ten trust accounts now under the control of the State Debt and Sinking Fund Commissioners.

This officer should be empowered, as in New Zealand, to act as trustee, executor, administrator, agent or attorney in any private estates, if those directly interested required his assistance.

To the Treasury such an institution would be invaluable, not only for the reasons stated, but also the assistance which could be rendered by the investment of the trust moneys in Government Stocks. The efforts of the Public Trustee might also be directed to developing the open market transactions in Treasury securities; and thus co-operate with and strengthen the hands of the State Debt and Sinking Fund Commissioners in local purchases.

A full description of the "Constitution and Objects" of the Public Trust Office of New Zealand (*which has been established since 1872*) will be found on pages 454-61 of the Official Year Book of that Colony for 1898. The following excerpts have been abstracted:—

"The office is designed mainly to afford, at low rates of commission, a secure and convenient recourse in every case where a person residing either in New Zealand or abroad, and desiring to form a trust or appoint an agent or attorney in the colony, may be in doubt or difficulty as to the choice of a trustee, executor, agent, or attorney. The office is also designed to relieve those who may be appointed trustees of property in the colony, or who, after having accepted the trusts of such property, may, for various reasons, be unwilling or unable to undertake or continue the administration."

"The security and fidelity of the administration of the Public Trustee cannot but form a great attraction to any person who may contemplate the appointment of a trustee, executor, administrator, agent, or attorney. The Public Trust Office is a department of the Government service. The good faith of the administration is guaranteed by statute, and the colony is pledged to maintain the integrity of capital funds placed in the Public Trust Office, either without any direction for investment, or to be invested at the option of the Public Trustee in any of the securities in which, unless expressly prohibited, he may invest all capital"

The Public Trustee is empowered to invest the capital funds in—

1. Government Stocks ;
2. Securities of Local Bodies ;
3. Mortgages ; or
4. Place at fixed deposit in Banks of Issue.

"The Colony further guarantees on the capital funds arising from the estates in the office, and available for investment at the discretion of the Public Trustee, a common rate of interest, to be determined from time to time by Order in Council, and to be credited quarterly, free of all office charges of the Public Trust Office, to the properties from which the funds arise. Thus the funds are afforded a State guarantee—

1. Against loss from investments in bad or insufficient securities ;
2. Against loss from delay in the investment ;
3. That the interest determined from time to time by Order in Council shall be regularly and punctually paid, free of all charges of the Public Trust Office."

"A person making a will, or arranging a trust, or proposing the appointment of an agent or attorney, must always be seriously concerned as to the security of the funds; and the larger the amount of the funds the greater will be the concern for security, and the less for the rate of interest. Private executors, trustees, or agents, or attorneys whose administration or conduct should be at fault, may be without the means of repairing the errors for which they are accountable; or may, in cases where their acts are justifiable, make disastrous and ruinous investments.

"The Public Trustee, in his official capacity, never dies, never leaves the country, and never becomes disqualified or involved in private difficulties, or distrusted. By his appointment as trustee, executor, administrator, agent, or attorney the preparation of the numerous deeds, and the consequent expense, which might become unavoidable in the case of a private appointment, are rendered unnecessary. These advantages will be readily appreciated by all who have had any experience of private appointments."

"The

"The advantage which estates in the Public Trust Office must unquestionably derive from the Public Trustee's possession of such large powers of general administration affords another powerful argument in favour of the office. To sum up, in New Zealand the law provides for the estates of deceased persons a choice between two administrations: one, an administration by private trustees, necessarily restricted in their powers, and subject to all the contingencies of private management; the other an administration by the Public Trustee, in which he is authorised to exercise large discretionary powers in the interest of the estates, and in which the integrity of the capital funds and his own good faith are guaranteed by the colony."

"The administration of the Public Trustee is exposed to a stronger light of public criticism than the administration of a private trustee could be, and any reasonable complaints from the beneficiaries, or from any one, would be echoed by the Press as matters of public concern; and these considerations must be sufficient to insure a careful and strictly conscientious observance by the Public Trustee of his obligations."

The value of the Estates administered in New Zealand up to March, 1907, amounted to £4,590,000, whilst the investments of the capital funds reached a total of £2,117,924, distributed thus:—

New Zealand Government Securities	...	...	...	£123,047
Local bodies debentures	...	...	...	111,344
Mortgages of freehold property	...	...	...	1,883,533
Total	...	...	...	£2,117,924

The necessity of establishing such an Institution has not escaped the notice of the Government, as some preliminary investigations were made last year. This initial action will probably be followed in the near future by a measure being submitted to Parliament having for its object the creation, on the lines foreshadowed, of a Public Trust Office.

CONTINGENCIES FUND—FUND FOR TEMPORARY PAYMENTS.

Very prominent attention was directed, in last year's Report, to the necessity for, and the many advantages of, a Contingencies Fund, or Fund for Temporary Payments, in connection with the Treasurer's Accounts, and it is a matter for regret that no notice has been taken of the cogent reasons given for the establishment of such a fund, or of the benefits that would follow therefrom. This, however, is, in spite of the neglect shown to the proposal, an important matter, and becoming increasingly important, as the Treasury business widens out day by day.

It is always difficult to introduce reforms of the importance suggested, convince when and where they are most needed, and also convince as to the many benefits which would follow by its adoption; therefore, perhaps, it is too much to expect that any change should be made until the proposal is weighed in all its bearings.

At the same time, as referred to in my former Report, the proposal is not new, but it is in operation in other countries, and works most successfully. There are instances in this State's Accounts where the same system is in operation. It works smoothly, and is conducive to economy in time and labour.

The sole requirement for its introduction is a small amendment in the Audit Act of 1902, whereby such a fund would be provided for statutorily as an interim account, out of which temporary payments could be made, without interference with the Annual Appropriations.

The Account recommended would, as already pointed out, take practically the place of the Treasurer's Advance Account, which, in conjunction with the London Remittance Account, and any other accounts wherefrom temporary payments are made, would be absorbed in or consolidated by the Contingencies Account.

The proposed account would simply be a replica of the old South African Contingent Account, or the Bubonic Plague Accounts, and would be subject to adjustment monthly, and audit as in the case of Revenue, Loans, or other accounts recognised in the Audit Act.

If the Imperial Accounts be examined, it will be seen that the system proposed is in full operation, and that its necessity and advantages, have been fully recognised in the old country for many years.

It

It is, therefore, again strongly recommended that such an interim account should be put into operation here. The Treasurer has power, under section 18 of the Audit Act, to establish a Contingencies Fund forthwith, if he were so disposed, but for the reasons stated in the previous Report, it would not be judicious to bring the Fund into existence, until such was statutorily recognised, and this could be done, as formerly stated, by a simple amendment of the Audit Act.

For full details as to proposed basis, and advantages which will follow by the introduction of the Fund, reference should be made to pages 202-5 of the previous Report.

FEDERAL AND STATE FINANCE.

Introductory.

No Government in Australia has ever been asked to face problems of such magnitude or fraught with such great possibilities as those of—

The distribution of the future Surplus Revenue.

and the—

Transfer of the States Debts,

and possibly no two national questions ever loomed so large in the public eye.

In dealing with these questions, the fact should not be overlooked, that the Federal Parliament has the power constitutionally **now, or at any other time, to take over debt liabilities of the States**, equivalent to those which existed on the 1st January, 1901, and after 31st December, 1910, **will have full power to determine the basis on which the distribution of future surplus revenue shall be made.** The only provision in the Constitution binding the Federal Government being, that the division shall be what the Parliament considers fair.

Any initial step, therefore, in the solution of both questions should be undertaken by the Commonwealth, and any scheme submitted should, **unless found impracticable**, form the basis of negotiation.

The Federal scheme, as laid before the State Premiers in conference at Melbourne in April-May last, **was deemed impracticable**, and a series of resolutions were passed, giving the basis on which the States were prepared to negotiate.

These remarks will be largely confined to a review of the Federal scheme (*known as Sir W. J. Lyne's*), its merits and demerits, and the modifications apparently necessary.

The following is the order of the remarks:—

FEDERAL PROPOSALS—

Surplus Revenue allotted annually to States and New South Wales.

Value of Sir William Lyne's scheme.

Difficulties in equitable apportionment of £6,000,000.

STATE PROPOSALS—

Surplus money returned; past experience.

EXPENDITURE BY THE COMMONWEALTH.

FUNCTIONS AND OBLIGATIONS OF THE GOVERNMENTS.

REDEMPTION AND CONSOLIDATION OF DEBT—

Council of Finance.

Sinking Funds.

Interest and expenses of transferred Debt.

CONCLUSIONS—

Council of Finance.

Sinking Funds.

The two questions from a Constitutional standpoint.

Period of scheme.

Benefits of the scheme.

Expert assistance required.

Mutual understanding necessary.

FEDERAL

FEDERAL PROPOSALS.

At the late Conference, and also at the preceding one held at Brisbane, the representatives of the States **did not regard** the distribution of the net Customs and Excise revenue, and the transfer of the State debts **as bracketed**, but maintained that the solution of the one need not be contemporaneous with, nor dependent on, the solution of the other.

The Federal authorities **held views directly the reverse**, they maintaining that the questions are so interwoven that the solution of the one is essential to that of the other.

Sir William Lyne, on this point, expressing himself thus :—

“Whatever arrangements are finally made, I think we may lay this down as a fixed principle that these two operations—the taking over of the debts, and the distribution of future surpluses to the States—must be taken together.”

Consideration of each issue, therefore, from a Federal standpoint, **must be concurrent**, as divorcement would mean an utter collapse of the whole scheme as submitted by Sir William Lyne.

Not one penny of the £6,000,000 proposed to be allotted to the States, **will be handled by the State Treasurers**, but will be transferred under authority of a special appropriation of the Federal Parliament, to the Council of Finance for part payment of annual interest and expenses of the transferred debts. The initiation of the scheme is, therefore, **conditional on the transfer of the debts**, and the establishment of a Council of Finance, which will administer the Transferred Debt, raise new loans for Commonwealth and States, and control the Sinking Funds.

Scheme, as presented, contains the following proposals :—

- (a) A fixed sum of £6,000,000 to be allotted annually to the States, and during a period of **five years ending 1915**.
- (b) The apportionment of the fixed sum **to be left to the States**.
- (c) The **full** difference between the amount allotted to each State, and the interest and expenses payable on its transferred debt, to be met out of the general revenue of **that** State until 1916.
- (d) The Commonwealth to **appropriate yearly from the Federal Treasury the full annual interest and expenses payable on the transferred debts**.
- (e) The annual interest liability **as taken over** not to be varied during the whole currency of the scheme.
- (f) From 1916, **however, the difference payable out of the State revenues** to be gradually reduced by a sliding scale operating annually for thirty years.
- (g) In 1945, the States Governments **to be free of all liabilities** (*principal and interest*) connected with transferred debts.
- (h) A Council of Finance to be appointed—**apparently a non-political body**.
- (i) A Commonwealth Sinking Fund to be established; to which the whole of the moneys at credit of **present** State Sinking Funds shall be credited.
- (j) The States to transfer as a **free gift** the accumulated State Sinking Funds.
- (k) Sinking Fund to be under control of Council, and used **exclusively** for buying up State and Commonwealth stock, and redeeming loans at maturity.
- (l) Transferred debts **to be consolidated** as loans mature.
- (m) **Future loans** required by the States **to be raised through the Council**. Each State to pay annually to the Council, the interest on the loan raised on its behalf, and one-half per cent. for Sinking Fund during actuarial term—the liability of the State in respect of such loan to cease at end of term.

- (n) Transferred loans at or near dates of maturity and future loans of the States at dates of maturity to be consolidated into one stock—
“Australian Consols.”
- (o) Council of Finance to decide the order in which States loans shall be placed on the market.
- (p) Redemption loans to take precedence over developmental loans.
- (q) The Council in consultation with the State Treasurers to settle the sum to be raised by loan during each year, and the proportion to be raised for each State.
- (r) The Transferred Properties to be a free gift to the Commonwealth.
- (s) A penalty to be imposed on any State neglecting to meet its full obligations to the Commonwealth.

Surplus Revenue allotted annually to the States and New South Wales.

It is proposed to allot to the States annually the following sums out of Customs and Excise revenue :—

£		
1911	Five years of equal instalments.	6,000,000
1912		6,000,000
1913		6,000,000
1914		6,000,000
1915		6,000,000
1916	Progressive increments period.	6,091,785
1917		6,183,570
1918		6,275,355
1919		6,367,140
x		x
x		x
x		x
x		x
1945		8,753,566.

From 1916 the £6,000,000 subsidy to be increased by the first annual instalment under the sliding scale, and so by progressive increments until a total of £8,753,566 will be reached 1945. From that date it is proposed that all payments from the Federal Treasury shall cease.

From a New South Wales standpoint, if the Schedule were adopted, the following would be the results :—

Year.		If distribution of annual sum be on a—	
		Population basis.	Revenue basis.
		£	£
1911	Five years of equal instalments.	2,223,624	2,194,639
1912		2,223,624	2,194,639
1913		2,223,624	2,194,639
1914		2,223,624	2,194,639
1915		2,223,624	2,194,639
1916	Progressive increments period.	2,250,918	2,222,899
1917		2,278,212	2,251,160
1918		2,305,507	2,279,420
1919		2,332,801	2,307,681
x		x	x
x		x	x
x		x	x
x		x	x
1945		3,042,452	3,042,452

Comparing the fixed annual sum proposed to be allotted to the States for each of the five years during the period 1911-1915 with the average experience during the past five years ended 30th June, 1908, the following are the results :—

	States.	New South Wales.
Average three-fourths net Customs and Excise Revenue returned during each of five years ended 30th June, 1908 ...	£ 6,962,850	£ 2,582,095
Sir William Lyne's Scheme—		
Annual sum	6,000,000	{ 2,194,639 or 2,223,624

On these figures there would apparently be an annual loss to the States of anything under £960,000 per annum, and to New South Wales anything under £390,000. But the Federal Government proposes to relieve the State Governments in 1945 of interest liability on, and an indebtedness of, 244½ millions; or New South Wales of 85¼ millions of debt, as compensation for revenue diverted.

The Commonwealth will assume this huge liability on consideration that—

- (1.) The States transfer, **as a free gift**, the Accrued Sinking Funds.
- (2.) The States hand over the transferred properties **as a free gift**.
- (3.) The States from 1945 **forego all interest** in Customs and Excise collections.

The Accumulated Sinking Funds amounted to £3,750,000, of which £508,000 belonged to New South Wales. **It is not clear** in the proposals **as to whether the States** contributing under Statutory obligation to Sinking Funds **will be required to continue the payments**—if not, this responsibility will rest with the Commonwealth.

The value of the Transferred Properties is estimated roughly at £14,000,000, of which £4,000,000 represents the New South Wales portion, and the annual interest liability on the outstanding debt therewith amounts to £350,000, the New South Wales portion being about £140,000.

Value of Sir William Lyne's scheme.

From a purely State Treasury standpoint it may be taken that, as the Commonwealth proposes to take over the whole liability and responsibility of the State Loans from 1945, the States will then be placed in a position similar to that in which they would have been had they finally discharged the whole of their debts.

To have discharged the whole of their present debts at the aforementioned date, it would have been necessary for the States to have **contributed annually to a sinking fund from 1911 at least £3,642,000, the New South Wales portion of which would have been £1,326,000.** These figures have been established **after due allowance** has been made for the transfer **as a free gift** of the 3¼ millions **Accumulated Sinking Funds and Transferred Properties** of the value of £14,000,000. These are, however, the results of actuarial calculations, and probably the amounts stated would not, in practice, be found sufficient, owing to the reason that profitable investments of funds cannot always be made.

Thus if a comparison be made on purely actuarial lines between the total of the **immediate**, and the **present value of the prospective benefits and the average of the three-fourths returned annually, based on the experience of the five years ended 30th June, 1908**, the results would show a **balance in favour of the States** amounting to **£2,037,000 annually, up to 1915**, (when it is likely the position would be improved) or if the comparison be limited to New South Wales, an **annual gain of £769,000.** These figures have been established **after due allowance** has been made for the **annual interest** and the **arrears of interest** on the outstanding debt of Transferred Properties.

It is important to bear in mind that these figures are, as just emphasised, arrived at by calculation, and that the computations are based on certain assumed positions which cannot always be realised in fact; and, also, that Sir William Lyne's scheme is **accepted in toto.**

It is obvious from the previous remarks, that the annual gain as stated, does not represent a direct cash return. The results given are chiefly useful in showing the present-day value of a scheme to the States, by which they will be wholly relieved of the existing loan indebtedness in 1945.

The effects of the scheme cut both ways from the standpoint of the State Treasurers. The Treasurers of to-day will be required to finance on a smaller direct cash return from the Commonwealth, whilst the Treasurers in power during 1945 and onwards will be relieved of 244½ millions of debt, but they will be required as a set-off against the relief in payment of annual interest on, and redemption of, this large obligation to finance State liabilities, without any further assistance from the Commonwealth.

The

The excess in favour of States, would be supplemented by the progressive instalments under the sliding scale from 1916, and will be further strengthened (so far as New South Wales and Victoria are concerned) by the Commonwealth taking over the Old-age Pensions, which at present represent an annual liability of over £750,000, and the gradual assumption of services in each State transferable—Navigation, Immigration, Quarantine, and such like—but against these savings some allowance should be made for the payments made, by the States, to the Federal Government for services rendered by the transferred departments, and for duties imposed on goods imported by, or for the States for public purposes.

To obtain these results the States are invited to suffer the loss, from 1945, of all share in the Customs and Excise collections for the purpose of finding themselves, in the year named, free of the existing accumulated loan liabilities. Now, as the Revenue of the States during the last thirty-five years has increased six or seven fold (*even allowing for the deduction of the "one-fourth" of Customs and Excise collections, as reserved for the Commonwealth*) the problem set is, what rate of increase would it be fair to expect in the next thirty-five years from 1910?

No person in his full senses, and with an idea of the practical, would attempt to forecast, with any degree of exactitude, the volume of the Commonwealth Receipts and Expenditure thirty-five years hence; in fact, present experience does not encourage much reliance being placed upon one year's anticipations of Revenue and Expenditure, the annual Estimates being often very wide of actual experience.

There are so many side-tracks, which may influence the growth of Revenue, that it is impossible to even give a random guess at what may be the result thirty or forty years hence. One thing we may reasonably be certain of, that there will be a very large increase on both sides of the Revenue Account and that any scheme which (*like the present one, under review*), bases its calculations on the divorcement of the States, from all participation in the result of the collections from Customs and Excise, must inevitably result in the debasement of the States, the unification of all the powers now held by the States, and the aggrandisement of the Commonwealth.

Difficulties in equitable apportionment of the £6,000,000.

The Federal Treasurer, in his memorandum on the scheme, expressed the opinion that it would be "immaterial to the Commonwealth" as to the basis adopted in the apportionment of the £6,000,000. A little consideration will disclose, that **there are difficulties surrounding an equitable apportionment**, and that the question cannot be so lightly disposed of by the Federal Government, as in the manner implied by the above expression.

The Commonwealth is morally bound, if not under a legal obligation, to assist the States (*pecuniarily or otherwise*) in any adjustment of financial matters in which both parties have a common interest.

Had the development of the States, in population and resources, been on fairly even lines, no appreciable difficulties would have arisen in the application of the *per capita* system—which should be regarded as ultimately the only basis of settlement in financial matters between State and State, and States and Commonwealth, **if a true federal spirit is to prevail**—but whilst Western Australia through the Customs House (*taking the 1907-8 returns*) contributes to the Federal Treasury, £3 16s. 5d. per inhabitant, as against £2 17s. 7d. of New South Wales, £2 11s. 5d. of Victoria, £2 15s. 4d. of Queensland, £2 11s. 6d. of South Australia, and £2 4s. 6d. of Tasmania, **no uniform system of allotment will give satisfactory results.**

The burden of adjustment, if left entirely to the States, must fall on the Treasuries of New South Wales, Victoria, and South Australia, as the Treasuries of the other three States have been required to make considerable sacrifices in the cause of federation. The strain imposed being according to the following:—

Absolutely.	Relatively.
(1) Queensland.	(1) Western Australia.
(2) Western Australia.	(2) Tasmania.
(3) Tasmania.	(3) Queensland.

The peculiar position of Western Australia is very sharply defined in the tabular statements embodied in Sir William Lyne's memorandum. The Treasury of Western Australia would, if a "population" basis were adopted, be required to make good a deficiency in annual interest on her public debt of £297,633; but if the apportionment were on a "revenue" basis her contribution would almost disappear, the amount required being only £4,540.

Take

Take another State, **Tasmania**, which, with Western Australia is classed a necessitous one, and it will be seen that opposite conditions obtain,—a “population” basis being the more acceptable. The loss would in this case (*if a revenue basis were adopted*) amount to over £38,000, which to a State like Tasmania, with a declining revenue, limited population, territory, and resources, would be serious.

If the States as a whole be considered, it would be seen that on a “population” basis **all the other States would gain and Western Australia lose**; and conversely on a “revenue” basis Western Australia would gain and the other States lose.

A full recognition of either basis is therefore out of the question; and modifications will have to be introduced, which will involve pecuniary sacrifices on the part of the more favourably placed States, and it is but fair that the Commonwealth should bear its share of the adjustment. The moral obligation to adjust these anomalies was admitted by the Premiers in Conference.

Under Sir John Forrest's proposal a way out of the difficulty might have been found by removing the obligation from the Treasuries **to the shoulders of the people**, as funds might have been raised to meet the adjustment, by the imposition of the additional or special duties, under proposal (3), from the collections of which the Federal Government could have made “**grants in aid**,” under **Section 96** of the Constitution Act.

STATE PROPOSALS.

The Federal scheme was unanimously rejected by the representatives of the States, and a series of resolutions were passed, setting forth the basis on which **the States were prepared** to negotiate, the substance of which was as follows :—

- (1) That a fixed annual sum be guaranteed, **with the right to share** in any increases in revenue from Customs and Excise Duties.
- (2) That the States **were prepared to accept a smaller proportion** than three-fourths of the net Customs and Excise Revenue as set off for relief in payment of Old-age Pensions, &c.
- (3) That there **should be no interference with the borrowing powers of the States**; and that they should be the sole judges of their own loan requirements.
- (4) That the **question of the transfer of debts be postponed** until that of the distribution of the Customs and Excise had been determined.
- (5) That in establishing the amount returnable to the States, **the contribution of each State, per capita, be considered and allowed for**.
- (6) That **compensation be made** for Sinking Funds taken over.
- (7) That **allowance be made** for loan indebtedness incurred for Transferred Properties.

An eighth resolution was agreed to in which the Premiers were pledged to submit the foregoing resolutions, to the respective Parliaments, as early as possible.

These resolutions practically reaffirm those passed at the Brisbane Conference, but the States **were prepared to modify these conditions** to meet the requirements of the Commonwealth, in respect of the Old-age Pensions, and heavy expenditure contemplated on Defence, and introduction of a Penny Postage system.

The members of the Conference were of opinion **that there was no necessary relationship between the two questions at issue**, and contend that the Constitution does not imply that any action taken with the one should be concurrent with that of the other.

Sir John Forrest's Proposals.

The basis underlying the Premiers' scheme for distribution of revenue coincides in the main with those on which Sir John Forrest based his proposals, modifications only being inserted to meet the exigencies of the situation.

The ex-Federal Treasurer's proposals were —

- (1) That a fixed annual sum be guaranteed to each State during the ten years ending 31st December, 1920—based or struck on the **yearly average of the contributions of each State**.
- (2) That if three-fourths of the total net revenue received from the net Customs and Excise duties in any year exceeded the aggregate of the fixed amounts returnable to each State, **the excess should be returned to the States on a per capita basis**.

- (3) That three-fourths of any surplus, **derived from the imposition of specific duties, on new articles, or higher duties on articles already taxed**, shall be returned to the States on a *per capita* basis.

Propositions (2) and (3) meet the State Premiers' requirements in respect of sharing in increased revenue, whilst proposal (1) is common to all three schemes; only that the term in which it is to have effect will run out at the expiration of ten years, from the 1st January, 1911.

Under the ex-Federal Treasurer's scheme:—

- (1) Each State would receive annually, from 1st January, 1911, a **fixed sum** struck on the average of the **annual contributions of that State**.
- (2) The States would be **entitled to a share** in the **growing revenue**.
- (3) **The uncertainty** as to the amount returnable would be to a very large extent removed; **and so a disturbing element** in the framing of the State Budgets would cease to exist.
- (4) The Commonwealth would **not** be obliged to raise £4 for every £1 required for Federal purposes.
- (5) The book-keeping system **would be abolished**.
- (6) The interstate adjustments of Customs and Excise **would be abolished**.
- (7) The Commonwealth Treasury chest would **not** be required to be cleared at the close of each month.
- (8) The Commonwealth and States **would be free to make a fresh agreement** at the expiration of ten years (1920).
- (9) The solution of the question was **not contingent on, or bracketed with**, the question of the State debts.

It should be mentioned that if items Nos. 2, 8, and 9 be excluded, **similar results would be attained under the proposals of Sir William Lyne's**, and if No. 8 be excluded, the **same ends would be attained under the Premiers' proposals**.

This scheme also **provided for the recognition of the *per capita* system** in the distribution of portion of the revenue returned, a basis which is already recognised in connection with the allocation of "Other Expenditure" under Sections 89 and 93 of the Constitution Act, **and which in all probability, will, as the conditions of the States come more and more into line, gradually be adopted as the only one on which financial adjustments as between the Commonwealth and States (*and State and State if necessary*) will be effected.**

Surplus Moneys Returned—Past Experience.

During the period of Federation, ended 30th June, 1908, the surplus money returned to the States amounted to £57,776,002, of which £51,601,929 represented the three-fourths returned under the Braddon Clause, **and the remainder of £6,174,073, the unexpended moneys which the Commonwealth might have applied to its own requirements**, had the avenues of expenditure been open; but being unexpended at the close of each month was, in accordance with the Constitution, returned to the States.

If the experience of New South Wales be reviewed, similar results are £20,924,962, £18,271,172, and £2,653,790, respectively; **so that this State received 36 per cent. of the aggregate returned, and if the excess over the statutory three-fourths be taken the proportion was over 43 per cent.**

The credits yearly to New South Wales (*as per Federal Treasury Statement*) were as follow:—

	Three-fourths Contribution.	Excess over three-fourths.	Total.
	£	£	£
1901 (six months)	742,503	145,070	887,573
1901-2 (twelve months)	2,061,962	319,771	2,381,733
1902-3 " " " " "	2,556,231	491,859	3,048,090
1903-4 " " " " "	2,363,950	327,337	2,691,287
1904-5 " " " " "	2,225,990	306,166	2,532,156
1905-6 " " " " "	2,370,906	371,023	2,741,929
1906-7 " " " " "	2,624,207	400,620	3,024,827
1907-8 " " " " "	3,325,423	291,944	3,617,367
Total	18,271,172	2,653,790	20,924,962
Average for whole period	2,436,156	353,838	2,789,994

Under the provisions of the Surplus Revenue Act, which took effect from June this year, all surplus moneys over the statutory three-fourths will pass absolutely to the Commonwealth. It is true that the Act does not specifically prescribe this shall take place, but it is implied, and its application will so result.

There will possibly be no shrinkage in the amount credited during the current financial year if compared with the results of, say, 1906-7, as the effects of the present tariff will still materially influence the collections; but it is reasonable to assume that compared with 1907-8 there will be an appreciable falling off.

It does not come within the range of this review to deal with the constitutional aspect of the Surplus Revenue Act. **If the worst aspect of the case be taken** the States only lose one month's returns, **while the excess** for this State alone during the year 1907-8, over the amount **actually returned** during the previous year, **reached the large sum of nearly £569,000.** This remark is made with due consideration of the fact that every penny of such amount came out of the pockets of the people of this State.

EXPENDITURE BY THE COMMONWEALTH.

The Federal Expenditure may be classed under three groups:

1. Expenditure on Federal Administration.
2. " Transferred Departments.
3. " New Services.

Under Sections Nos. 89 and 93 of the Constitution only two classes are recognised:

1. Expenditure on Transferred Departments.
2. "Other" or expenditure on New Services.

The former is debited to each State on the actual results of that State, whilst the "Other Expenditure" is distributed amongst the States on a *per capita* basis.

The following is the **Annual Expenditure** of the Commonwealth, and the rate per inhabitant for each year up to the 30th June, 1908:—

				Amount. £		Per inhabitant. £ s. d.
1901 (six months)	...	...	...	1,296,053	...	.....
1901-2 (twelve months)	...	...	...	3,932,746	...	1 0 7
1902-3	"	...	...	3,901,371	...	1 0 1
1903-4	"	...	...	4,252,519	...	1 1 8
1904-5	"	...	...	4,322,829	...	1 1 8
1905-6	"	...	...	4,497,542	...	1 2 2
1906-7	"	...	...	4,987,317	...	1 4 3
1907-8	"	...	...	*6,158,893	...	1 9 4

* Includes amount retained during June and placed to a Trust Account.

Had the Commonwealth expended all it was constitutionally entitled to, the following would have been the results:—

	Actual Expenditure.	Portion of one-fourth returned to the States.	Amount constitutionally entitled to expend.
	£	£	£
1901 (six months) ...	1,296,746	577,845	1,874,591
1901-2 (twelve months) ...	3,932,746	908,929	4,841,675
1902-3 " "	3,901,371	1,145,234	5,046,605
1903-4 " "	4,252,519	747,787	5,000,306
1904-5 " "	4,322,829	764,097	5,086,926
1905-6 " "	4,497,542	829,910	5,327,452
1906-7 " "	4,987,317	805,766	5,793,083
1907-8 " "	†6,158,893	394,505	†6,553,398
Total £	33,349,963	6,174,073	39,524,036

† Includes amount retained during June and placed to a Trust Account.

The increase in the **actual Expenditure** between 1901-2 and 1907-8 amounted to £2,226,147 and on a *per capita* basis, 8s. 9d. per head. It

It cannot, therefore, be asserted that the Expenditure has been on a lavish scale, especially as during that period the sum expended on Sugar Bounties, Administration of New Guinea, and Repatriation of Pacific Islanders, amounted to £2,315,713. The powers under the financial clauses of the Constitution have not, therefore, been applied precipitately, as seven and a half years have elapsed before a pronounced widening out of expenditure is proposed; nor can the States claim that the changes, or that the adverse effects on their Revenue, were unexpected.

FUNCTIONS AND OBLIGATIONS OF THE GOVERNMENTS.

Section 51 of the Federal Constitution Act defines the functions and obligations of the Commonwealth; all powers undefined remain permanent obligations of the States, and these include many weighty responsibilities connected with internal development, education, care of sick, the poor and infirm, administration of justice and police, and many other services which are not directly revenue-producing. The States are also required to carry out sundry services of an unremunerative nature, which will be transferred to the Commonwealth as soon as it is prepared to take over the administration and the financial responsibilities.

At present, according to a Tasmanian publication, for every £100 expended on the functions of Government, £86 17s. is borne by the States and £13 3s. by the Commonwealth; or to express the results absolutely (*according to the latest returns available*), the expenditure of the States from Revenue Funds now reaches the large total of £31,273,000, against £6,159,000 by the Commonwealth, or an expenditure per inhabitant of £7 11s. 10d. and £1 9s. 4d. respectively. These figures, however, have only a limited value as they afford only a partial index of the relative conditions.

Included in the £7 11s. 10d. is the ratio of the cost of working many business undertakings, such as Railways, Tramways, Water Services, Sewerage Services, and others *which cannot be classed* in the ordinary category of governmental functions. Moreover, the total as given for the States is largely inflated by the payments on account of interest on the public debts, which so far is not a factor in Commonwealth finance, whilst the fact must not be lost sight of that this liability will, by the transfer of the debts, be gradually assumed by the Commonwealth. The returns of two of the States are also swollen by payments on account of Old-age Pensions, which, on transfer of the liability to the Commonwealth, will reduce the State expenditure by some £750,000.

It is reasonable to assume that, as the Commonwealth further exercises its powers under the Constitution, the ratio of expenditure will show a pronounced increase, and that, as time goes on, and the Commonwealth puts forth its full powers, the difference between the rates as now exhibited will not be so marked.

The cost of Government for New South Wales, notwithstanding the inclusion of many services of local concern—which will probably, in years to come, cease to be a full charge on the State Treasury—does not exceed 7 millions, or £4 8s. 5d. per inhabitant. It will, therefore be seen that no practical good will arise by continuing this line of comparison beyond certain limits.

By way of passing, it should be pointed out that it is but fair that the Commonwealth should recognise that the States are now saddled with expenditure, on account of services transferable, with which they cannot hope for any direct reimbursement of cost of maintenance and upkeep, and this fact should not be lost sight of in future adjustments.

REDEMPTION AND CONSOLIDATION OF DEBT.

The Federal Government proposes to take over the full current loan liabilities at date of transfer of debts. This is a step further than contemplated by the Constitution, for Section 105 prescribes:

“The Parliament may take over from the States their public debts as existing at the establishment of the Commonwealth”

That is to say, the Commonwealth may constitutionally take over debt liabilities of the States equivalent to those which existed on 1st January, 1901.

The assumption of the full liabilities will, therefore, have to be legalised by an amendment of the Constitution, but no difficulty should arise in obtaining the necessary authority, provided the respective Governments are in accord.

It

It is not stated definitely in the proposals whether the Commonwealth will take over the liabilities as at 1st January, 1911, or that a process of gradual assumption will take place; that is to say, the Commonwealth will not assume the direct responsibilities until each loan becomes part of the Consolidated Stock, which is to be known as "Australian Consols." The latter procedure would undoubtedly be the more correct one to follow, as under it the existing conditions between the States and their bondholders would be maintained until the obligations mature, and this course would pave the way for the Commonwealth taking over the direct responsibilities at the renewal dates.

The application of the scheme will have the effect of the Commonwealth gradually absorbing the whole of the public debts of the States, present and future, as proposals Nos. 5 and 10 provide for the consolidation of the transferred debts and for the ultimate consolidation of all future State obligations.

As regards the latter operations, it is proposed the States shall pay annually to the Council of Finance the interest on each loan raised and one-half per cent., for Sinking Fund for an actuarial term, the expiration of which will, no doubt, coincide with the date of maturity of loan. The proposal is silent as to management expenses; but these, no doubt, will be a charge against the States until the full liability on each loan is taken over by the Commonwealth.

The following table (*which has been compiled from the published statements of the Federal Treasurer*) illustrates the Aggregate of the State liabilities on 30th June, 1907, maturing annually up to 1952, and also the amount redeemable in each market:—

Year.	Redeemable in—		Total.
	London.	Australia.	
	£	£	£
Up to 1907	2,632,135	5,472,082	8,104,217
1908	5,749,100	1,153,523	6,902,623
1909	5,372,200	2,235,594	7,607,794
1910	2,903,100	2,735,275	5,638,375
1911	5,051,300	2,272,004	7,323,304
1912	145,000	10,834,520	10,979,520
1913	5,912,650	2,368,620	8,281,270
1914	835,000	1,077,030	1,912,030
1915	17,939,800	2,790,921	20,730,721
1916	8,084,320	5,318,553	13,402,873
1917	3,542,600	4,521,137	8,063,737
1918	14,298,700	32,760	14,331,460
1919	4,008,000	138,050	4,146,050
1920	15,184,350	338,450	15,522,800
1921	5,072,600	4,642,224	9,714,824
1922	4,274,213	906,505	5,180,718
1923	7,025,473	353,954	7,379,427
1924	30,855,034	468,165	31,323,199
1925 ... ..	.....	295,555	295,555
1926	184,400	2,230,955	2,415,355
1927	3,500,000	124,256	3,624,256
1928 ... ..	.....	62,431	62,431
1929	9,780,019	287,937	10,067,956
1930	5,781,700	24,719	5,806,419
1931 ... ..	.....	8,562	8,562
1933	9,686,300	.....	9,686,300
1934	995,054	457,000	1,452,054
1935	12,500,000	.....	12,500,000
1936 ... ..	.....	632,900	632,900
1939	2,517,800	202,000	2,719,800
1945	2,000,000	2,315,640	4,315,640
1950	1,000	945,600	946,600
1952 ... ..	.....	175,800	175,800
Miscellaneous	185,831,848	55,422,722	241,254,570
	.....	3,480,729	3,480,729
Total	185,831,848	58,903,451	244,735,299

The figures represent obligations to be met, of which no experience of the past affords a parallel. Combined effort on the part of the States and the Commonwealth would be advantageous in carrying out this gigantic task ; and if the latter undertakes the direct responsibilities of redemption, the States should, as far as possible, conform to proposal No. 11, which reads—

“Loans for redemption of State debts taken over to have precedence over all other loans.”

Loans must be raised by the States, to meet the pressing demands of national development, but it is obvious that, however pressing the demands may be, it will be very sound policy to regard the renewals and redemptions of these vast liabilities, as having priority over any other consideration, especially when the fact is borne in mind, that the aggregate of the loan obligations proposed to be assumed by the Commonwealth represents so vast a sum.

The Council of Finance.

In the course of criticism of the respective schemes it has been said—

“The power to raise loan money was necessarily associated with the work of developing the country,” and—

“Control of finances means control of Government.”

These axioms are worthy of grave consideration, in the present proposals, as they inferentially point to the serious results which will accrue if the States allow the Council of Finance to be placed between them and the money market.

It is obvious that the freedom of the States to manage their internal affairs, and their prestige as sovereign States, would be seriously affected, if the Council be authorised to decide the

“order in which loans shall be made,” and—

“settle in consultation with the Treasurers the proportions to be raised by each State.”

The Council's proper place is behind the Treasurers. They would be undoubtedly of great assistance as a Board of Advice—nothing more.

No proposal should be made by which the States are asked to sacrifice interests (*begotten by a long and honorable connection with the money market*) vital to their national life. The credit of the States has not sunk so low, nor has the pre-eminence of the Commonwealth risen so high as to justify such a change, and this contention is strongly supported by the fact that the Commonwealth has yet to make its initial essay and prove its relative value on the London and Australian markets.

Up to the present each State has entered the market on its own initiative, unfettered by any consideration for its neighbours. The time has apparently come when this policy must be abandoned, and the States combine for mutual good. The experience of the past has its value, and possibly results taken by themselves would not justify any marked change from the independent and separate loan policy of the past, but obligations are in sight of which, as just emphasised, no experience of the past affords a parallel.

During the next twenty years Australian indebtedness to the value of £180,000,000 will mature, and this responsibility will have to be faced, in addition to the many obligations connected with the raising of developmental loans. Co-operation is essential in meeting these weighty responsibilities, and the Council of Finance or Board of Advice, if appointed, may have its part to perform ; but the raising of loans, the order in which such shall be placed, and proportion to be issued for each State, are questions for the Finance Ministers to decide in consultation with their respective Governments.

Sinking Funds.

Item No. 6 of the Federal Treasurer's proposal reads :—

“A Commonwealth Sinking Fund to be established.”

and Item No. 9 is worded thus :—

“The Sinking Fund to be under the control of the Council, and to be used only for buying up State and Commonwealth stock, and for redeeming loans at maturity.”

A Sinking Fund, automatic in its application, and progressive in its contributions, will, if past experience be any index, **have a troublous existence.**

For many years to come, Australia will be a frequent visitor to the money market. Her policy whether applied to Works or national developments generally, has a long life before it. She must, therefore, be prepared to incur heavy commitments, and, as a concomitant, she must raise revenue to meet the accumulating interest on these liabilities.

The practice of draining the Revenue by *annual* accretions to Sinking Funds on the one hand, and heaping the burdens of interest by fresh loan obligations, on the other, is **suggestive of burning the national candle at both ends.**

The State revenues have not sufficient stability to bear the continual strain of a cut-and-dried system of ear-marking annually large and growing sums for application to redemption of the public debt; and therefore a sinking fund applied yearly, without regard to the strength of the Revenue, must sooner or later cause embarrassment in Treasury administration.

New South Wales' experience in the liquidation of the Revenue Deficiency Bills is **not encouraging** to the adoption of a cast-iron system of contributions.

The experience of Western Australia, however, affords a more striking example. Her loans have been floated with rigid sinking-fund conditions attached, with the result that the annual liability under this head has increased to £200,000 out of a total Revenue expenditure of three and a half millions, or a liability against a Revenue which shows a relative decline on a *per capita* basis from £17 5s. 7d. in 1901-2 to £12 19s. 11d. in 1906-7.

The fact cannot be too often emphasised, that when once a loan is raised, with sinking-fund conditions attached, the terms of the compact during the actuarial life of the fund must be strictly adhered to, notwithstanding that the Revenue may not during some of the years be able to fully meet the ordinary obligations of Government. As long as contributions to the Sinking Fund are paid out of surplus revenue no embarrassment should ensue, but directly the payments thereto have to be met from a falling Revenue, trouble begins.

The Federal Treasurer, apparently, is of opinion that Sinking Fund contributions should be made from "clear" income, as the following remark appears in his memorandum on the Financial arrangements:—

"The Commonwealth Sinking Fund will be recruited by annual votes from Parliament. I think it might be well if an appropriation were made of all Federal surpluses, although I have not embodied this in the scheme now presented to Parliament."

Even the Imperial finances, with their solid backing and general stability, are unable to stand the strain of a rigid application of this system; how much less then Australian finances—be they Commonwealth or State? Nevertheless proposal No. 10 is to the effect that—

"Future loans required by the States to be made through the Council—the States to pay annually . . . one-half per cent. for Sinking Fund for an actuarial term . . ."

These remarks are not intended to convey that Sinking Funds should not be established, for application in the reduction of the Public Debt—although it is a moot point, as to whether the principle should have general recognition when a State is actively developing its resources by borrowed capital—but rather that too much reliance should not be placed on this agency in any automatic reduction of the debt. If a general system be recognised, then the provisions or basis should be so elastic as to allow of suspension of payments, when economic conditions render such a course absolutely necessary.

Interest and expenses of transferred debt.

Item No. 3 of the Federal proposals, reads:

"Each State to pay . . . the interest and expenses due on its transferred debt" . . .

It will be noticed that "expenses" are coupled with interest. In the two tabular statements, preceding the series of proposals given in the Federal Treasurer's memorandum, no allowance for expenses has been made in the amounts given in second column headed "Interest on Public Debt."

Expenses are taken to embrace the charges of negotiations and flotation of loans, including underwriting and the composition duty of $\frac{5}{8}$ per cent. paid to the Imperial Government, and the bank expenses on account of management in payment of dividends and transfers of stock. The former equals about $2\frac{1}{2}$ to 3 per cent. on the amount of stock issued, whilst the latter, on the basis of New South Wales experience, costs annually about 9d. for every £100 stock current.

The

The proposals are silent as to the source from which losses in principal by redemption, conversion, or consolidation will be made good. Possibly these will be met by direct charges against the accumulated Sinking Fund, which, it is anticipated, will be appreciably strengthened by savings in the annual interest as renewals and consolidations progress. Apparently the States will not benefit by these savings, as Item No. 8 of the proposals reads:—

“After a loan has matured the difference between the present rate of interest and the rate payable on the new loan to be paid by the Commissioners into the Sinking Fund.”

The omission of the amount of yearly expenses from the estimates given, will not materially affect the results given, especially as the Commonwealth will become responsible for one-thirtieth of the expenses in 1916, and so on by a similar yearly progression, until the whole liability of interest and expenses are taken over in 1945.

CONCLUSIONS.

The Federal proposals contain the elements of a workable scheme, whilst it has been shown that, taken from a purely monetary standpoint, results work out favourable to the States. Investigation has disclosed, however, that there are structural weaknesses, some very serious, which must be eliminated before a practical and acceptable basis can be reached.

As to the Council of Finance—

The proposal to endow the Council of Finance with powers which will give it priority of place, in the raising of State loans for developmental purposes, is impracticable.

The acceptance of this proposal would, in essence, amount to the States delegating to an outside body powers and privileges intimately connected with national development, which are theirs, by right of separate Constitutions as well as by the Commonwealth Constitution Act.

Under no circumstances should the States permanently forego their powers to act independently in raising moneys for national purposes. They would be justified in rejecting the proposals as a whole, if this be made a primary consideration in the adoption of the scheme.

Any delegation of powers to a Council, or Body, for the purpose of obtaining mutual advantages, should be made to a committee composed of the Finance Minister of each State and the Commonwealth, and then only on the understanding that it is a temporary expedient to meet the exigencies of the situation, each State retaining the right to withdraw whenever the necessity arises.

The Council of Finance, as proposed, should therefore hold no plenary powers to issue loans. They should act as a “Board of Advice,” and assist the Ministers in the raising of loans, the administration of the Sinking Funds, and purchasing stock on the open market. Any functions or powers beyond these would encroach on those appertaining to Governments only.

As to Sinking Funds—

The rigid basis proposed to be applied to the Sinking Fund Contributions is contrary to all sound experience, not only of the present environment, but elsewhere.

The Imperial system, which has been in operation for over 120 years, is worked on a conditional or elastic basis—that is to say, the yearly reductions of the debt are effected on “real surplus income,” and when such does not exist the yearly contributions to the Fund are suspended.

Taking the Imperial practice on the one hand, and the results of the application of the rigid system as adopted by Western Australia (*and in a lesser degree by some of the other States*) on the other, it should be patent that any cut-and-dried system applied in reduction of the public debts must sooner or later result in financial embarrassment, especially if the obligation to contribute to a Sinking Fund is made one of the fixed conditions of contract in the loan flotation.

It is therefore apparent that the Sinking Fund proposals will require modification if the application of this principle is to be regulated by experience and sound practice.

As

As to the two Questions from a Constitutional Standpoint—

The second paragraph of the Braddon Clause (*section 87*) seems to imply **that there is a direct relationship between the two questions at issue**, and apparently the Federal Government is acting in accordance with the spirit and letter of the law in suggesting the retention of the surplus moneys for application to payment of annual interest on the State debts. The statutory provision referred to reads thus:—

“The balance shall, in accordance with this Constitution, be paid to the several States, or applied towards the payment of interest on debts of the several States taken over by the Commonwealth.”

The more these difficulties of solution are considered, the more the conviction grows that **an equitable and practical solution of the problems will be found by bracketing the two issues.**

As to Period of Scheme—

The year 1945 is a long way off, and it is very certain, especially if the peculiar conditions of Australian life be considered, that many momentous changes will arise before that year is reached. A generation and a half will come and go before that term has expired.

He would, therefore, be a bold man, indeed, who would attempt to picture conditions, and sum up results in 1945, and express such by an array of figures and estimates.

Present Treasury experience shows that it is very difficult to estimate results with any degree of certainty one or two years ahead; how great the difficulty when thirty-five years are involved!

No proposal will, therefore, be of practical application, unless it recognises a system of periodic reviews of the situation, with the object of bringing previous estimates into line with actual results; nor would it be wise to permanently settle at the beginning of a long period of thirty-five years, what shall take place at the closing year; posterity alone should decide.

The periods of review might be:

1915 (*first year of sliding scale*),
1925,
1935,

and 1945, when the question of complete severance of the financial relations might be determined. **Such arrangements, however, should be conditional, on the settlement of the transfer of the debts, being regarded as conclusive, from date of the application of the scheme.**

The suggestion for a final review is strengthened by the fact that, under present proposals, the States will have taken from them the traditional right to a fair share of the revenue derived from Customs and Excise **which, from the early years of Australian history, has constituted the backbone of their revenues.**

As to Benefits of the Scheme—

The following are the **immediate and prospective** advantages which will be obtained directly or indirectly on its application:—

Immediate—

- (1) Fixed annual sum of £6,000,000 to be allocated to States **during the five years** commencing from 1911.
- (2) State Treasuries of New South Wales and Victoria **relieved of** payments of Old-age, Invalidity, and Accident Pensions, amounting annually to over £750,000.
- (3) State Treasuries to be **almost immediately relieved** of cost of main tenance and upkeep of Departments of Navigation, Immigration, and Quarantine.

Prospective—

- (1) Other State departments **to be transferred.**
- (2) Fixed annual sum of £6,000,000 **to be raised to** £6,091,785 in 1916, and **yearly increased by** £91,785 until the year 1945, when the sum that would be allotted to the States would reach $8\frac{3}{4}$ millions.
- (3) States relieved of the **interest on, and indebtedness of, 244 $\frac{3}{4}$ millions** (*on consideration of severing all interest in Customs and Excise collections in 1945*). **For annual equivalent, see page 196.**

As

As to Expert assistance required—

The scheme, as set forth in the Federal Treasurer's memorandum, **leaves many details to be filled in by the imagination**, nevertheless sufficient data are obtainable, to establish results, on which a determination as to its merits and demerits can be arrived at. The returns given would undoubtedly be subject to modification on closer analysis, but any variations found necessary would not alter the general results adduced.

When the stage for acceptance is reached, the finer points of the scheme might be worked out by a committee of officers, having financial and actuarial experience, who should be required to work up the details on a reciprocal basis. To such a committee should be entrusted the solution of the difficulties surrounding a fair allotment of the £6,000,000 amongst the States, the classification of the loans transferable, the interest liability therewith, the sinking funds to be taken over, and the working up of all details in which a practical knowledge of requirements is essential.

As to Mutual understanding necessary—

One of the resolutions agreed to by the State Premiers at the Melbourne Conference was—

“The States urge an early settlement of this long-standing question.”

An early settlement is imperative, not only on account of the near approach of the year 1910, but on account of the financial uncertainties, which must continue until a solution is reached.

It might be to the advantage of all concerned if the Federal scheme were accepted as a basis of negotiation, for it is possible of being modified to an acceptable or fair basis, without either party being required to sacrifice a principle. These modifications are within easy reach, if the question is approached with a willingness to meet objections, in a spirit of give and take.

At present the position is “an affair of Governments.” On account of the divergent opinions, each side appears to consider that if a fair share of revenue is not obtained it will be necessary to resort to further taxation; but if such a stage be reached, then the matter would probably become **“an affair of the Federation as a whole.”**

Notwithstanding the failure to come to a mutual understanding, solid progress has been made, and the solution of the question was never nearer consummation. As time goes on, each Government will find out its proper functions, and the way to perform and maintain such, whilst the sifting process will in the end bring with it the necessary solution of any **vexed questions**, which after all are incidental to, and may be expected to occur with the application of the provisions of a Constitution covering such a wide range of national obligations and responsibilities.

PART V.

Administrative and Departmental.

General Remarks.

It is gratifying to be able to record the fact that the work of the Audit Department (*although hampered by many matters which do not ordinarily lie within an Auditor's duty*) has been steadily carried on, and with beneficial results to the Government and State, in both efficiency and economy.

There have been new lines of work, not hitherto coming within the range of audit duty, **the necessity for which has arisen partly on account of new legislation**, and partly in consequence of the Government's instructions in regard to Societies and other bodies, not heretofore under the audit of the Government Officer. The results of these inspections have proved the necessity which existed for such examinations, and the wisdom of the Government in giving general powers to the Auditor to examine these accounts.

As mentioned in the Report for the year ended 30th June, 1907, the Government had a Bill drafted for presentation to Parliament, **which, when passed and approved, will open the way for the audit of all institutions which are in any way interested in the way of borrowing, or being granted, revenue out of the Public Funds.**

The increase of work in the Department of late years has been very marked, and there is very little doubt that, responsibilities thrown on this Department by recent legislation, will eventually require a large increase to my present staff, which has been cut down to the lowest limit possible with a view to economy. It must, however, be remembered that there is a limit to reduction; beyond that, economy is not consulted by piling work on willing shoulders, as too much work only results in failure, and work badly executed or not executed at all.

When the Local Government Shires Act operates with full force as regards audit, I anticipate that several additional officers will be required, if inspection and examination are to be properly executed.

While upon this subject, mention was made in previous Reports of vouchers which would be placed before the House for their sanction, **indemnifying the Public Works Department for some unavoidable informality in certificates.** They have not been presented to Parliament yet, but when they are the total shown will probably be £70,000 in all.

The necessity for this indemnity was fully explained in my last Report, and as there is no doubt that all the payments have been properly made, **there can be no objection whatever to the indemnity required being acquiesced in.**

There are still many lines, both in administration and departmental treatment, where methods might be changed with advantage to the Service. Some of these are under consideration, and others will no doubt be taken in hand early, but on the whole, it can be asserted that a decided improvement has been effected, both in personnel and conduct of the Service, as compared with that existing a few years ago.

The management and supervision exercised in the Departments is more thorough, and the full employment of officers better watched and secured; and although the rigid rules now in vogue for admission to the Service must in some cases result in the loss of good men, **still on the whole, as just emphasized, the Service is very much improved.**

It is, however, feared that there is a tendency in these days to rely too much on printed regulations, which, if they in any way touch on detail, must invariably have the effect of preventing the use of individual judgment on the part of officers holding leading positions, confining them within limits which will not apply, in all cases, **and to a certain extent stultifying the good effects of the care exercised in admission.**

While there is no doubt that it is desirable and necessary to have certain well defined and general rules and regulations for the conduct of the Service, **yet it will be admitted, I think, that there is a danger of going too far in attempting to govern by regulation**, and that **intelligent service** can only be obtained by a certain amount of **liberty** being allowed for individual or personal thought and action on the part of leading, and, to a lesser extent, subordinate officers.

These remarks are made in accordance with the provisions of section 62 of the Audit Act of 1902.

LAND TRANSACTIONS.

The relation of the land revenue to the total collections of the Consolidated Revenue Fund, and the future prospects as to its strength being maintained, formed the subject of somewhat lengthy remarks in the previous Annual Report; it is, therefore, hardly necessary to again review the subject in detail.

During the present year, normal conditions have been maintained; and with the same climatic and other favourable conditions, there is every reason to believe that the previous forecasts will be realised.

The annual check applied during the last few years to the Treasury postings, on account of purchase money of conditional purchases, which has been found to be very effective, has now been extended to the transactions on all other classes of holdings, with the result that arrears disclosed on all tenures other than conditional purchases amounted to £37,002.

The matter was duly reported to the Department of Lands, and a reply was received to the effect that many of the holders in arrear had obtained the usual time concession from the Minister in accordance with law or practice. It was explained that the absence of the information in the Treasury books was due to that Department declining to post the necessary information connected with the consideration allowed or granted by the Minister.

Arrangements have now been made between the Department of Lands and this Department to effect an adjustment of the present arrears, and bring matters into line; but unless the Treasury is prepared to post the particulars alluded to, the accounts will always be incomplete, and future audits will be beset with the same difficulties and loss of time as experienced in the late examination.

It is, therefore, obvious that a continuance of the present imperfect system of recording the financial position of each personal account in the Treasury Registers loads the action of audit, and renders it almost impossible to faithfully comply with the law as provided by section 50 (2a) of the Audit Act, which requires the Auditor-General to—

“Ascertain whether the whole of the revenue and public moneys have been duly collected and accounted for in pursuance of this Act”

Practice and common-sense dictate that the Department of Lands is the proper place for all personal accounts connected with land transactions to be kept; experience and special investigations have amply proved that unless this step be taken, the records of this important head of revenue will always be unsatisfactory.

The Minister, as Crown landlord, is entitled to and should have the direct control and management of the personal accounts, whilst the adoption of the change advocated would conduce to much economy in time and labour, as under the present system there is constant reference and duplication of effort between the two Departments which would be obviated by the consolidation recommended.

MINING TRANSACTIONS.

The review of the mining leases, with the object of discovering any arrears of payments of rentals, &c., is practically completed. The examination has disclosed that the obligations of the lessees are being faithfully observed, and that no arrears of importance are outstanding, other than those specially mentioned in subsequent pages.

As in the case of the Department of Lands' records, the personal accounts are kept both at the Treasury and the Department of Mines; but while those of the landholders are only partly in duplicate, those of the mining lessees are kept wholly so, *i.e.*, one set of records at the Treasury and the other at the Department of Mines.

The mining rentals are payable at the Treasury; but it frequently happens that moneys are forwarded to the Mines Department in error, and then handed to the Treasury. Advices are sent by the Treasury to the Department of Mines of the daily payments; but, notwithstanding, reference must also be again made to the Treasury in cases that are proposed to be cancelled, to ensure the certainty of non-payment before final action is taken by the Department of Mines. The reason for this is that should the rent be received at the Treasury, without the knowledge of the Department of Mines, and the cancellation notice is issued, the effort of the latter Department is defeated.

The

The audit of the mining records necessitates a portion of the work being performed in the Treasury and the remainder in the Department of Mines, and it is anything but satisfactory that such a condition of things should exist. This duplication of the Registers is not only unbusinesslike, but is a source of inconvenience to the departments of Mines and Audit.

It is of the utmost importance that the records of the Department of Mines, should contain the whole of the transactions of the personal accounts, for the reasons adduced. The remarks in connection with the financial transactions of the Department of Lands as to the necessity of a change in the present practice, fittingly apply to the financial operations of the Department of Mines.

Special Refund which was made without attention being given to a Contra Account.

The Auditor-General, in pursuance of the obligation laid upon him by section 60 of the Audit Act, brings the following case under the notice of the Parliament :—

Where there are cross claims against any party entitled to a refund from the Treasury, the only business method would be to have them adjusted before settlement, and this is the almost invariable practice in the Government service ; but in the case quoted below, it was not attempted, and a large sum of money was paid over without any effort being made to secure an adjustment of the counterclaim, although the existence of such a claim was well known and prominently brought under notice on the papers.

The responsibility for the transaction was taken up with the Treasurer, as the financial member of the Government, and in accordance with section 13 of the Audit Act, and during the year considerable correspondence occurred regarding the making of a certain refund under somewhat peculiar circumstances, as in every case where a contra account was held covering a considerable proportion of the claim against the Government, it was always understood, as a business principle, that adjustments should be effected.

Two years since a letter was received stating that a certain coal-mining company had, by an amended survey, discovered that they had overpaid to the Government royalty to the value of £363 11s. 3d., and claiming a refund thereof. On this matter being looked into, it was found that the company had paid excess royalty in all amounting to £508 17s. 6d., but that a set-off of royalty was owing to the amount of £245 17s. 6d., for coal removed illegally.

Under the circumstances, it was deemed advisable to seek the advice of the Crown Solicitor on the question whether, in view of the facts set out in the papers, refund should be made in full, or only of the amount, less a sum equal to the royalty on coal won without authority, and this reference was approved by the then Minister.

The Crown Solicitor, in his reply, stated, viz. :—

“I think the best course to adopt is to inform the company that the amounts claimed will be allowed in full satisfaction of their claim for royalty overpaid in respect of authority, but that, in investigating the claim, it has been discovered that their company has removed coal under certain roads (specifying them) without authority, and so the above amount will be subject to a deduction of £245 17s. 6d. in respect of coal illegally won, leaving a balance of £117 13s. 9d. only, due to the company, adding that, of course, the amount was subject to what the Minister might think as to any fine being imposed for illegal removal.”

On a further reference being made, it was stated that if there was no doubt that £508 17s. 6d. was the correct sum due the company, after all proper allowances had been made, the adjustment should be made on the basis of the larger amount.

On this the officers of the Department made recommendations in accordance with the Crown Solicitor's suggestions, which were accordingly submitted for approval, but directions were given by the then Minister that the whole amount (£508 17s. 6d.) should be paid over to the company at once, and the sum claimed by the Government be billed for against the company.

This was accordingly done. The method adopted was not businesslike, and in all probability legal expense will now be incurred which could have been avoided by following the advice of the Crown Solicitor, viz., to effect an adjustment by handing over only the balance properly due.

The

The voucher for £508 17s. 6d. appears to have been passed through the Treasury for payment without any exception being taken thereto, and thus the interests of the State were practically ignored; for at the present time it seems more than doubtful whether a recovery of the sum affected (£245 17s. 6d.) will be made.

This matter is brought before Parliament under the provisions of section 60 (c) of the Audit Act No. 23, 1902.

Royalty on Coal.

The action taken by this Department to effect a more complete check on royalty payable on coal, has resulted in duly certified periodical returns being supplied, containing the amount paid on leases and authorities to mine approved and authorised; together with particulars of uncollected amounts under review by the Mines Department; as mentioned in previous Reports.

It is, however, necessary to draw attention to the following cases, which have not yet been finally dealt with by the Mines Department, and it is exceedingly unsatisfactory to record that the first four items have been in course of settlement for upwards of four years, viz. :—

Colliery.	Amount.	Latest action by Mines Department. (Known to this Department.)
Caledonian Coal Company	£692 5s. 0d.	To Crown Solicitor for action.
Brown's Duckenfield	£2,019 17s. 6d.	) Being prepared to date, so that the Crown's claim can be pressed.
Wallsend	Not determined.	
South Bulli	do	Crown Solicitor to recover. To Crown Solicitor.
H. T. Thompson (balance)	£11 8s. 0d.	
* Mount Kembla Coal Company	£245 17s. 6d.	

* Specially commented on, *vide* p. 210.

During the year two long outstanding cases, viz., the Bulli Company and the Lithgow Colliery Company, have been finally dealt with, and they, too, present a decidedly unsatisfactory termination.

In the Bulli case an amount of £1,097 15s. 6d. was claimed by the Department of Mines as royalty on coal won without authority, and in response a compromise of £750 was offered by the company's representative, which was forwarded by the Minister to the Crown Solicitor, who advised the acceptance, "to avoid tedious and lengthy litigation, which might result less favourably"; but, apart from this compulsory compromise, the papers in the case disclosed the fact of a further loss to the Crown of £1,630 8s. 9d., also for removal of coal without authority by the Old Bulli Company, which had gone into liquidation and settled all claims before investigations as to the Crown's claim had been completed by the Mines Department.

In the case of the Lithgow Valley Company, voluntary liquidation was entered into in 1899 to obtain wider powers than those contained in its Memorandum of Association, and in 1903 it was ascertained that a certain quantity of coal had been removed without authority, involving a debt of royalty to the extent of £592 1s. 6d., which, on being referred to the Crown Solicitor for formal demand, it was found necessary to abandon.

It will therefore be seen that in the settlement of these long outstanding cases, large sums of money are found to have become lost to the Crown, and the best explanation that can be supplied by the Mines Department as to the non-recovery earlier (*which does not redound to the credit of the records and supervision*), is the fact of imperfect surveys of many years ago; which are not discovered until other portions are measured, but that a careful watch is now being exercised to prevent similar recurrences.

The losses experienced in the foregoing cases render it more than likely, that it can be reasonably expected further difficulties may be met with in the settlement of the cases still outstanding, and the necessity for the Mines Department to effect a speedy completion of all cases under review, cannot be too strongly drawn attention to.

LOCAL GOVERNMENT ACT, 1906.

The duties of "Examiners of Accounts" have still been discharged by my Inspectors, during the year just concluded, without any extra expense to the State. This result has only been achieved through the sacrifice of much private time by the officers concerned, and in my opinion they deserve great credit for the performance.

Of

Of course, there have been errors and oversights incidental to the inauguration of a new system, but this is only what was to be expected. Actual cases of fraud have been too numerous; but this is not to be wondered at, as, under the old Municipalities Act, there was a provision to allow a defaulter to make good his deficiencies.

I am strongly of the opinion that the Local Government Act should be amended with a view of removing any doubts that appear to exist, and to make it absolutely compulsory for a Municipality or Shire to prosecute any of its officers who may be guilty of misappropriating the funds that come into their custody.

The Principal Cases of Default under the Act, brought under notice by my Inspectors, were as follows:—

- C. Poppenhagen, Clerk to the Municipality of Singleton, deficiency £92 4s. Allowed to make good the amount and resign.
- C. V. C. Hudson, Clerk to the Mumbulla Shire Council at Bembooka, defalcations £181 9s. 5d. Warrant issued, but he absconded; £100 recovered from Guarantee Society. (*Also reported on by certified auditor under Local Government Act.*)
- W. J. Fell, Clerk to the Bombala Municipality, defalcations £43 8s. 1d. Prosecuted, and sentenced to twelve months' imprisonment.

With regard to the cases referred to in my last Annual Report, I beg to report as under:—

- H. B. Pulver, late Council Clerk, Parkes. Allowed to make good balance of deficiency, £42 3s. 4d., and appointed to the position of Shire Engineer at Parkes.
- R. C. Leeming, Council Clerk, South Shoalhaven Municipality (Terara); deficiency, £137 15s. 10d. After long delay and sundry legal proceedings at the instance of a ratepayer, he has been prosecuted, being subsequently found not guilty.

In several instances, fees in excess of those authorised under the Act have been drawn by the councillors. The amounts overpaid have been surcharged and recovered.

INSPECTION OF ACCOUNTS AND STORES OF ACCOUNTING OFFICERS.

It is gratifying to be able to report that the accounts of the Collectors of Revenue in the metropolitan and country districts have been examined, and in both divisions with very satisfactory results.

There have been sundry omissions—as per Schedule (Appendix L)—nearly all of which have been recovered; and it is largely owing to the fact that the accounts of the State Collectors of Revenue have been kept in such a satisfactory manner, that my Inspectors have been able to examine the accounts of shires and municipalities, and other extraneous accounts, which they have successfully dealt with during the past year.

The number of offices inspected during the year, inclusive of special inspections, was:—

Railways and Tramways	...	...	...	...	...	...	125
Old-age Pensions...	...	...	...	...	...	...	143
General inspections, Metropolitan District	...	...	...	...	...	...	119
Do	Country Districts, including Shires and Municipalities	...	...	...	...	...	993
Inspections, stores and supplies...	...	...	...	...	...	...	172
Special inspections	...	...	...	...	...	...	18
Total							1,570

The number of inspections made, however, gives very little idea of the volume of work performed. For instance, a special inspection was made at Singleton during this year by one of my Inspectors; the time occupied was over five weeks. And another Inspector was for a like period engaged on special duty at Bombala.

Again, in all of the larger towns, particularly the Northern Districts, the time occupied is now much longer than formerly, owing to the natural growth of business in the towns. This applies also, in a smaller degree, to nearly all the other large centres in the State.

I have, as far as possible, utilised, through the courtesy of the Justice Department, the services of the Police Magistrates to certify, at small outlying towns (*which did not justify the expense of sending one of my Inspectors to every year*), that the cash as per Cash Books had been remitted to the Treasury.

STORES

STORES AND STATIONERY SUPPLIES.

A wise purpose was achieved by the provisions in the Audit Act of 1902 relating to Stores and Materials generally, as prior to the passing of that Act no independent check whatever had been exercised on this important item.]

The Value of Stocks on hand for various years has been as under :—

	£
1903-4	900,242
1904-5	839,558
1905-6	755,908
1906-7	696,698
1907-8	774,474

The rise in the total stocks is more than covered by the large increase of £94,254 in the Railway balances, consequent upon the great expansion of business.

A test comparison of the returns, with books and actual stocks, was carried out with generally satisfactory results; but in one case a prosecution had to be made of a defaulting foreman, who was converting stores to his own use (see page 214). A much improved system has now been introduced into the Department affected.

This matter, which was commented on in last Report very unfavourably, has had further attention during the year just passed, but I regret to say without any very satisfactory result. As mentioned in last Report, the matter was represented to the late Premier and Colonial Treasurer, who appointed a Committee to inquire into the question, but the nominated Chairman, by unauthorised action, induced the then Treasurer to refer the inquiry to the Public Service Board.

On careful consideration I came to the conclusion that any inquiry made by the Board named would be unsatisfactory, for the reason that two of its members had been interested in the formation and conduct of the present system, and also that the subject was one that required a knowledge in detail of accounts and accounting, and of its special influence upon the Loan and other Votes affected by the transaction.

A communication was consequently sent to the Colonial Treasurer, in accordance with section 13 of the Audit Act, in which a respectful protest was made against the competency of the tribunal so appointed, with a request that the letter might be sent on for the consideration of the Premier, as to the advisability of the appointment of an independent Commission to deal with the questions raised. This communication was sent on 13th November, 1907, but no reply was received until the 20th February, 1908, and then simply an intimation that the Treasurer would decide the question after the Board's inquiry.

Nevertheless, in the hope that the Service would be speedily relieved from the disabilities of this objectionable system, two of the Auditor-General's chief officers were appointed to assist the Board in the inquiry, and the research necessary to bring out evidence. To me the results showed that the system and supply of stores were most unsatisfactory.

The system proposed for adoption is one that has been successfully worked for many years, and is in operation in the Railways and Tramways and other Business Undertakings at the present time. It allows of the purchase of supplies of all kinds, without interference with Estimates, Public Accounts, Parliamentary Appropriations, or accounting generally, and under it a true return can be given of all costs.

It is reported that the decision of the Public Service Board has been given, but the papers had not, at time of writing, been forwarded to me, and cannot, therefore, be reviewed, but will be dealt with in a later report.

There is, however, one subject in connection with Stores which has previously been brought under notice, and that is, a conflict in terms between the Audit Act of 1902 and the Public Service Act of the same year, the first, an original Act standing by itself, and the second a consolidated Act, and, therefore, simply a re-enactment.

On a reference being made to the Crown Law Officers, the reply was to the effect that the Audit Act contained the legal authority. The Public Service Board have been informed, but, so far, I have not been advised of the necessary alterations having been proposed or made. The matter, no doubt, will be adjusted by mutual effort on the part of the two departments directly interested.

CASES OF DEFAULT.

The following is a complete list of defaulters brought under notice during the year :—

- W. Poppenhagen, secretary, Singleton Pastures Protection Board, deficiency £57 0s. 11d. Made good ; resigned.
- W. Poppenhagen, secretary, Dangar Cottage Hospital at Singleton, deficiency £301 12s. 6d. Imprisoned.
- C. Poppenhagen, Council Clerk, Singleton, deficiency £92 4s. Made good ; resigned.
- C. Poppenhagen, secretary, Agricultural Society, Singleton. Temporary misappropriation of funds.
- H. Y. Smith, assistant to Returning Officer, Belabula Election, deficiency £30 14s. 4d. Imprisoned.
- G. L. King (deceased), secretary to Cowra Hospital, deficiency £403 14s. 1d. Made good by representatives.
- E. C. V. Hudson, clerk to Mumbulla Shire at Bembooka, deficiency £181 9s. 5s. Warrant issued ; absconded.
- W. J. Fell, secretary to the Pastures Protection Board, Bombala, deficiency £361 9s. 6d. Imprisoned.
- W. J. Fell, Council Clerk, Bombala Municipality, deficiency £43 8s. 1d. Imprisoned.
- Harry Towers, foreman carpenter, Resumed Property Office, charged at Police Court with stealing material, valued at £7 10s., from the Departmental Store. Fined £15, and material valued at £2 recovered. Dismissed.
- Wallace O'Connor, junior booking porter, Moree Railway Station, deficiency £51 2s. 10d. Recovered from Treasury Guarantee Fund. Absconded.
- Jno. B. Maloney, porter, Campbelltown Railway Station, deficiency £10 18s. 2d. Prosecuted and sentenced to four months' imprisonment, but on making restitution the sentence was suspended under the First Offenders Act. Dismissed.
- Chas. J. P. Gilbert, coaching clerk, Dubbo Railway Station, deficiency £19 1s. 10d. Recovered from salary due, £4 8s. 1d. The officer is disputing liability for portion of the balance, which is under investigation. Dismissed.
- George Manley, goods clerk, Bourke Railway Station, deficiency £66 3s. 11d. Recovered from Treasury Guarantee Fund. Dismissed. In this case the series of frauds were so deliberately planned, that it was felt to be necessary to bring specially under the notice of the Honorable the Treasurer the failure of the Railway Commissioners to prosecute this officer.

MISCELLANEOUS.

The usual **Certificates of Discharge** have been issued to the Treasury under Section 46 of the "Audit Act of 1902." Any sums disallowed are shown in the *Appendix K*.

Payments on account of Working Expenses, **Railways and Tramways**, exceeded the appropriations by the sum of £179,545 12s. 4d., for which an **Indemnity Bill** is required.

The **Mint Bullion Account**, and the **Accounts of the Miners' Accident Relief Board**, have been examined, and found to correspond with the books and supporting vouchers.

The following special **Statements**, not otherwise referred to above, are also appended for information, viz. :—

Appendix D.—**Statement of Authorities granted by the Governor and Executive Council**, under Section 34 of the "Audit Act of 1902," for the transfer of balances of Appropriations to supplement the Votes for other Services found insufficient to meet the requirements of such services.

Appendix L.—**Statement of Surcharges Raised** upon the Revenue and Expenditure Accounts; and the amounts recovered or in course of recovery.

Appendix M.—**Statement of Authorities granted by the Governor and the Executive Council** in relief of Accounting Officers, under Section 51 of the "Audit Act of 1902."

Appendix Q.—**Copies of cases submitted by me**, for the opinion of the **Attorney-General and Crown Solicitor**, under Section 15, are appended hereto, as required by Section 61 of the "Audit Act of 1902."

Appendix J.—**Statement of Advances to Trustees, Public Officers, and others**, which have not been adjusted at this date.

Appendix R.—**Report of the Public Accounts Committee.**

SYNOPSIS OF REPORT.

The most important points as shown in the transactions of the year under review are :—

Consolidated Revenue Fund.

Receipts :—

Total Receipts (Proper) were £13,995,865.

The Excess Receipts over Disbursements, £1,835,059.

Expenditure :—

The total Disbursements (Proper), exclusive of transfers to Closer Settlement and Public Works Fund, were £12,160,806

Made up thus :—

Under Appropriations of Parliament £11,861,769

From Treasurer's Advance Account :—

To be recovered £61,163

To be appropriated £58,328

In excess of appropriation £119,491
£179,546

£12,160,806

Payments on Old Age, Invalidity, and Accident Pensions during the last seven years amounted to £3,586,865.

Deficiency :—

The total funded upon the Consolidated Revenue up to and including 30th June, 1908, was £1,214,516.

But there was a Cash balance of £1,676,924, which placed the Consolidated Revenue in credit by £462,408.

As funded it entails a liability upon the Revenue of the year 1908-9 of £337,620.

Public Works and Closer Settlement Funds.

The Public Works Fund receipts during the year totalled £1,418,886, and expenditure £966,819.

The receipts of the Closer Settlement Fund amounted to £217,340, and expenditure to £5,593.

The Consolidated Revenue contributed £1,604,479 to these two funds.

Auxiliary Funds.

These were in use at the close of the year as a cover to overdraft on the Loan Account to the extent of £691,932.

Loans and Public Debt.

The proceeds of Stock sold were £4,333,972. The liability incurred (face value of stock) was £4,342,710, both exclusive of £2,000,000 stock not brought to account within the year.

The total Loan Expenditure (net) on Public Works and Services was £1,965,329.

The renewals of Loans totalled £3,617,600.

The Public Debt on all services was £87,635,826.

The debt was increased during 1907-8 by £2,027,994.

The total Interest payable on the whole Public Debt as at 30th June, 1908, was £3,097,176

The interest paid on other accounts during 1907-8 was £54,572.

The value of Debentures and Treasury Bills finally discharged was £697,116.

CONCLUDING REMARKS.

The Report for the year has been compiled, so far as the financial portion thereof is concerned, upon similar lines to those adopted previously, in order that a continuity of form may be preserved, and comparison of results, year with year, facilitated.

Hence, to a certain extent, the phrasing of the paragraphs will be found to be, partly, a repetition of previous reports, but this, for the reason assigned above, was practically unavoidable.

The favourable results of the year 1907-8, cannot, it is feared, be continued, as the climatic records of the State do not favour the continuance of an unbroken series of good seasons.

The Treasurer's Abstracts of Receipts and Disbursements were first received by me on the 28th July; but prior to that date much had been accomplished, through the Treasurer kindly supplying accounts and statements in parts as completed.

The Treasurer's accounts were returned after examination, for certain necessary amendments, and were finally received by me for audit and report on the 12th August, 1908.

It is believed that the Report will be found to give an equally clear statement and review of the transactions by the Treasurer and their effects upon the accounts, as in previous years.

Diagrams illustrative of the subjects treated are given, and will be found of assistance in giving a clear and comprehensive view of the accounts in certain directions.

The early publication of results is simply due to the energy and assiduous labour of the Officers concerned, who have spared no endeavours to meet the wishes of the Parliament for early publication; and the assistance given by the Treasury and other Departments, particularly that of the Government Printer, is gratefully acknowledged, as also the unwearying labours of my own staff.

The Treasurer's Abstracts of Public Accounts, now submitted to the Legislature, have been exhaustively examined with the vouchers to receipts and disbursements, as set out in the cash sheets; the balances shewn on the various accounts have been compared with the Bank sheets furnished by the Banks keeping the Government accounts; and, collectively, are hereby certified to have been found correct, with the exceptions to which attention is drawn in the Report and Appendices, and certain small queries still under consideration.



Auditor General.

Department of Audit,
Sydney, 1st September, 1908.

APPENDIX A.

APPENDIX A.

ADVANCES TO TREASURER.

STATEMENT OF ACCOUNTS TO BE RECOVERED, 1902-3 to 1907-8.

Account.		Total.	Recoverable from—	Account.		Total.	Recoverable from—
REVENUE.				LOANS.			
1902-3.				1907-8.			
Seed Wheat	£ s. d.	£ s. d.		Railway—Manilla to Barraba....	£ s. d.	£ s. d.	
Fodder for Farmers in Drought-stricken Districts	9,787 18 10			Additions to Railway Lines	7,463 7 1		
	7,065 19 7	16,853 18 5	Various sources.	New Public Abattoirs, Homebush Point	3,050 7 7		
1903-4.					376 15 8	11,490 10 4	Various sources.
Seed Wheat	2,981 17 4			Hurstville Police Station.....	198 0 0		
Fodder for Farmers in Drought-stricken Districts	1,772 13 10	4,754 11 2	Various sources.	Barren Jack Storage Reservoir ..	28,038 12 5		
1907-8.				Pymble Police Station	475 0 0		
Hongkong Government	33 0 5			Shelter-sheds at Mt. Kosciusko ..	232 0 9		
Mauritius Government.....	381 2 5			Artificial Lake at Mt. Kosciusko..	474 1 6		
Cape of Good Hope Government..	359 10 2			State Governor's Country Residence	70 17 10		
Transvaal Government.....	28 6 8			Coast Hospital.....	550 0 0		
Straits Settlement Government..	193 4 0			Baines' Gully Bridge.....	526 16 0		
Transvaal Government—On Account of Seeds	8 4 0			Upper Fort-street—Erection of Houses	213 19 2	30,779 7 8	Public Works Account.
Orange River Colony—On Account of Seeds	132 10 9			Peel River Estate	4,713 9 11		
Sierra Leone Government	24 3 4			Walla Walla Estate	63 13 5		
Federated Malay States Government.....	131 3 8			Cunningham Plains Estate	32 16 0		
Federated Malay States Government—Applications for Surveyorships	21 4 1			Goonoo Goonoo Estate	167 17 7		
British Guinea Government	50 10 0			Acquisition of Estates for Closer Settlement	48 6 0	5,026 2 11	Closer Settlement Fund.
Transvaal Government—Purchase of Sheep	1,500 0 0						
Hazelton v. Potter—Verdict and Taxed Costs	820 10 9	3,683 10 3	Imperial Government.				
Expenses of W. Froggatt, Government Entomologist	604 7 11	604 7 11	{ S. Australia { Govts. Victoria } Queensland }				
Commerce Act.....	328 10 0	328 10 0	Federal Government.				
Paymaster, Treasury	1,200 0 0						
Stamp Exchange Account	23 8 0			SUMMARY.			
H. J. Greville—Arrears of Pension	26 18 6				£ s. d.		
Duty on Wire-netting	7,698 17 4			1902-3.....	16,853 18 5		
Estate of Corporal-Bugler Daly ..	23 0 0			1903-4.....	4,754 11 2		
Chas. Brush	16 0 0			1907-8.....	61,163 3 8		
Sydney University	2 10 9					£82,771 13 3	
Grassing Tucker's Hill	55 6 6						
Timber-testing Apparatus	204 13 6	9,250 14 7	Various sources.				

APPENDIX B.

PENSIONS, 1907-1908.

Account.	Authority.	Payable from—	New Pensions.	Lapsed Pensions.	Annual Rate as at 30th June, 1908
			£ s. d.	£ s. d.	£ s. d.
Public Service Superannuation Account.	Act No. 8 of 1903...	Consolidated Revenue	*9,854 15 6	†9,071 15 9	123,052 0 1
4th Schedule—Superannuated Officers (Schedule B).	Act No. 32 of 1902	Consolidated Revenue (£3,500)...	252 7 4	280 15 0	3,470 15 2
„ Judges	Act 35 of 1900 and Act 32 of 1902.	„	1,820 0 0	Nil.	7,280 0 0
„ Supplement—Military and Pilots' Widows.	Annually voted ...	„	Nil.	Nil.	912 7 6
„ Supplement—Inspectors of Stock—Pension Account.	„ ...	„	Nil.	357 3 0	319 12 0
Schedule C—Stipends to Clergy ...	Constitution Act ...	„	Nil.	150 0 0	1,630 17 6
Superannuation Act Repeal Act of 1873.	36 Vic. No. 29	„	Nil.	Nil.	1,008 4 4
District Court Judges	Act 4 of 1901	„	Nil.	Nil.	750 0 0
Police Superannuation and Reward Fund.	Act 28 of 1906.....	Part from accumulated funds, and balance paid from Consolidated Revenue. Special Appropriation.	4,751 12 7	3,027 14 2	41,579 5 5
Pension to Constable J. F. Alford...	Annually voted ...	Consolidated Revenue	Nil.	Nil.	45 12 6
Sir Henry Parkes' Family Grant ...	60 Vic. No. 3	„	Nil.	Nil.	310 0 0
		Total	£ 16,678 15 5	12,887 7 11	183,388 14 6

* Includes amount payable by the State on account of pensions to officers who were transferred to the Commonwealth.

† Includes those returned as lapsed by the Commonwealth, and also those transferred to the 4th Schedule.

APPENDIX C.

CONSOLIDATED REVENUE ACCOUNT.

APPROPRIATIONS, EXPENDITURE, and BALANCES SURRENDERED during 1907-8.

	* Appropriation or Treasurer's Estimate.	How Disposed of.		Excess Expenditure over Voted Appropriation for the Department.
		Expenditure.	Balance Surrendered.	
UNDER SPECIAL STATUTES.				
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Schedules to the Constitution Act and Supplements	41,081 0 0	38,808 3 0	2,272 17 0	.....
Interest on and reduction of Public Debt	3,449,155 0 0	3,425,096 16 7	24,058 3 5	.....
Repayments to State Debt Commissioners under Act of 1905, 59 Vic. No. 6, on account of Bogan Scrub Clearing	6,145 9 7	6,145 9 7	.....	.....
State Children Relief Act, No. 61, of 1901	4,049 15 5	4,049 15 5	.....	.....
Other Special Appropriations	835,521 0 0	867,637 9 9	.....	32,116 9 9
	4,335,952 5 0	4,341,737 14 4	£6,331 0 5	32,116 9 9
UNDER ANNUAL APPROPRIATION ACT.				
Supplement to Schedules	1,250 0 0	1,241 11 10	8 8 2	.....
Executive and Legislative	31,238 0 0	29,242 6 10	2,025 13 2	.....
Colonial Secretary, Labour, and Industry	1,097,301 0 0	1,055,096 2 9	42,204 17 3	.....
Treasurer and Secretary for Finance and Trade—				
Departments generally	534,427 0 0	496,594 16 11	37,832 3 1	.....
Railways and Tramways	3,318,359 0 0	3,497,904 12 4	.....	179,545 12 4
Advance to Treasurer	150,000 0 0	119,491 7 6	30,508 12 6	.....
Attorney-General and Justice ..	334,962 0 0	324,651 10 0	10,310 10 0	.....
Secretary for Lands.....	323,617 0 0	335,391 14 9	.....	11,774 14 9
Secretary for Public Works	794,683 0 0	714,554 10 2	80,128 9 10	.....
Public Instruction	1,093,835 0 0	1,084,894 16 8	8,940 3 4	.....
Secretary for Mines and Agriculture	177,420 0 0	160,005 3 2	17,414 16 10	.....
	7,857,122 0 0	7,819,068 12 11	229,373 14 2	191,320 7 1
MISCELLANEOUS APPROPRIATIONS.				
Adjustment of Treasurer's Advance Account, 1906-7.....	44,987 12 0	44,987 12 0	.....	.....
In anticipation of Loan Votes, 1907-8.....	681,000 0 0	324,597 14 5	356,402 5 7	.....
Public Works Fund—two-thirds of the net proceeds of the Sale of Crown Lands, 1906-7 (exclusive of interest), less 20 per cent.....	408,408 18 6	408,408 18 6	.....	.....
Do do do 1907-8 do do	346,070 0 0	346,070 0 0	.....	.....
Public Works Fund—Grant in Aid.....	650,000 0 0	650,000 0 0	.....	.....
Closer Settlement Fund—Grant in Aid	200,000 0 0	200,000 0 0	.....	.....
	2,330,466 10 6	1,974,064 4 11	356,402 5 7	.....

* Some appropriations have been varied under 34th section of the Audit Act—vide Statement of Executive Council authorities.

APPENDIX D.

Transfers of Appropriations during 1907-8, AUTHORISED BY MINUTES OF THE GOVERNOR AND EXECUTIVE COUNCIL, under section 34 of the Audit Act, 1902.

Item No.	Vote Increased.	By—	From—	To—	Item No.	By Transfer from Vote—	No. of Executive Authority.
		£	£	£			
17	Lunatic patients.....	200	3,000	3,200	16	Institutions for Insane generally—Salaries.	25
62	Rewards for apprehension of offenders	60	225	335	15	Police—Contingencies.....	25
62	" " "	50			115	Exchange on Remittances	25
35	Stores Supply and Tender Board—Contingencies.	1,000	137,121	140,946	25	Government Asylums—Contingencies	23
35	" " "	1,650			225	Local Government	25
35	" " "	75			26	Fisheries Department	24
35	" " "	1,000			230	State Children Relief Department ..	24
35	" " "	100			250	Mines Department	22
109	Sydney Harbour Trust—Contingencies.....	3,000	83,990	86,990	115	Exchange on Remittances	24
161	District Court—Contingencies	100	3,377	3,477	154	Attorney-General and Justice—Contingencies.	19
175	Legal Expenses	1,000	6,250	7,250	164	Prisons Department—Contingencies..	20
159	Probate and Intestate Estates Office—Contingencies.	75	3,735	3,885	156	Prothonotary and Registrar in Divorce—Contingencies.	21
159	" " "	75			160	Sheriff—Contingencies	24
168	Allowances to Inspectors, &c., under Liquor Act.	30	700	730	173	Officers of the Attorney-General and Justice Department granted extended leave, &c.	24
155	The Judges—Contingencies.....	175	7,537	7,712	174	To provide for new positions, &c.....	24
163	Petty Sessions—Contingencies	600	84,153	85,503	164	Prisons Department—Contingencies..	25
163	" " "	750			160	Sheriff—Contingencies	24
251	Stock and Brands Branch—Contingencies...	300	19,911	20,211	254	Exports and Cold Storage Branch—Contingencies.	22
266	Vine Diseases Act	500	1,500	2,000	252	Agriculture Branch—Contingencies...	15
97	Land and Income Tax—Contingencies	1,280	34,600	35,880	225	Local Government	25
104	Navigation—Miscellaneous... ..	4,300	22,582	26,882			
113	Commission on Payments in England	2,370	1,500	3,870			
116	" " " Sydney	400	1,400	1,800			
178	Lands Department—Contingencies	10,000	291,170	303,170	210-224	Public Works—Services.....	25
178	" " "	100			115	Exchange on Remittances	25
178	" " "	1,900			125	Interest on Darling Harbour Resumptions.	25
132	Gratuities to Officers on retirement	1,000	10,000	11,000	115	Exchange on Remittances	25
179	Western Land Board—Contingencies	1,000	7,679	8,679			
16	Institutions for Insane generally—Contingencies.	50	136,493	136,543			
26	Fisheries Department—Contingencies	50	7,777	7,827			
30	Domain—Contingencies	50	2,192	2,242	125	Interest on Darling Harbour Resumptions.	25
244	Educational Institutions—Maintenance ...	50	8,000	8,050			
112	Department of Intelligence—Contingencies	3,600	21,100	24,700			
114	Insurance, Shipping Charges, &c.	180	700	880			
122	Interest on Uninvested Cash Balances, &c.	1,160	10,800	11,960	140	Military Contingents to South Africa—Claims.	25
182	Maintenance, &c., Public Parks, &c.	1,190	12,000	13,190			
180	Pastures Protection Act	310	2,797	3,107			
110	Agent-General—Contingencies	1,350	9,775	11,125			
227	Metropolitan Board Water Supply and Sewerage—Contingencies.	500	137,643	139,943	115	Exchange on Remittances	25
227	" " "	950			124	Interest on Advances by London Banks	
227	" " "	850			139	Sydney Branch of Royal Mint	

APPENDIX E.

Appropriations for Loan Services and Transactions thereon, to 30th June, 1908.

	Appropriations under Acts of Parliament.	Net Expenditure to 30th June, 1903.	BALANCES.			
			Written off.		Retained for Expenditure, 30th June, 1903.	
	(1) £ s. d.	(2) £ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Railways and Tramways.....	62,143,117 4 11	51,356,903 12 7	9,921,427 3 9		861,786 8 7	
Public Buildings and Sites	5,202,188 10 11	4,415,964 14 11	736,243 5 5		49,980 10 7	
Water Supply and Sewerage	12,097,454 14 6	11,418,688 1 0	336,940 2 3		341,826 11 3	
Water Conservation, Artesian Boring	1,166,799 0 0	1,135,257 0 4	18,870 16 6		12,671 3 2	
Roads and Bridges	2,047,579 0 0	1,801,943 7 6	241,765 12 6		3,870 0 0	
Harbours and Rivers Navigation	4,622,979 18 8	4,392,542 1 7	183,064 11 11		47,373 5 2	
Darling Harbour Wharfs Resumptions.....	1,330,260 0 0	1,170,635 10 10	118,570 9 2		50,000 0 0	
Sydney Harbour Trust	5,197,412 1 6	5,145,323 18 2	27,603 1 5		24,485 1 11	
Immigration	577,176 0 0	569,930 0 0	7,246 0 0			
	94,393,912 10 6	81,407,188 6 11	11,594,731 2 11		1,391,993 0 8	
Commonwealth Services	3,744,613 7 9	3,430,647 0 10	313,966 6 11			
Public Works, Queensland.....	74,761 0 0	49,855 8 6	24,905 11 6			
	98,213,286 18 3	84,887,690 16 3	11,933,603 1 4		1,391,993 0 8	
Renewals—Loans	13,325,100 0 0	10,572,930 0 0	900,370 0 0		1,851,800 0 0	
Total	£ 111,538,336 18 3	95,460,620 16 3	12,833,973 1 4		3,243,793 0 8	

RECONCILIATION.

With Appropriation.

Column (1).

Total Appropriations as above	£ 111,538,336 18 3
Add Loans, 1842 to 1855, not included	705,200 0 0
	112,243,536 18 3
Deduct Reappropriations to other services	278,662 12 8
Appropriations, as per Public Debt Statement, pages	£111,934,921 5 7

With Expenditure.

Column (2).

Net Amount of Loan Expenditure, 30th June, 1908, as above	£ 95,460,620 16 3
---	-------------------

Net amount of Loans raised, as per Public Debt Statement, pages	£ 93,555,009 15 6
Add Treasury Bills raised for Loan Services, 55 Vic. No. 7.....	3,983,077 1 9
" " " " 63 Vic. No. 46...	3,972,506 6 6
" " " " 64 Vic. No. 10...	986,564 10 0
" " " " Act No. 94 of 1902	3,964,044 9 5
" " " " Act No. 14 of 1903	249,684 7 6
" " " " Act No. 8 of 1894	1,901,928 15 0
" " " " Act No. 31 of 1904	239,100 0 0
" Amount short raised under 36 Vic. No. 17, and made good from Consolidated Revenue	175,838 13 1
" Overdraft 30th June, 1908	691,931 12 11
	16,164,675 16 2
	109,719,685 11 8
Less Treasury Bills retired, 55 Vic. No. 7.....	4,000,000 0 0
" " " " 63 Vic. No. 46	3,998,500 0 0
" " " " 64 Vic. No. 10	999,000 0 0
" " " " Act No. 94 of 1902	3,999,000 0 0
" " " " Act 14 of 1903	250,000 0 0
" " " " Act 31 of 1904	240,000 0 0
" Immigration Debentures, 1842-1855	705,200 0 0
" Amount over raised	67,364 15 5
	14,259,064 15 5
Total as above	£95,460,620 16 3

APPENDIX F.

Net Loan Expenditure on Public Works and Services.—From commencement of Loan Account to 30th June, 1908.

Head of Service.	Amount.		Total.	
	£	s. d.	£	s. d.
Railways and Tramways—				
Railways (opened and unopened for traffic)—	46,363,435	8 10		
Less transferred to Bridges—Penrith Bridge	15,000	0 0		
			46,348,435	8 10
From Harbours and Rivers, &c., Votes	639,521	14 5		
Add Newcastle Wharf, eastern side, inner basin	12,267	1 10		
			651,788	16 3
			47,000,224	5 1
Tramways (<i>opened and unopened for traffic</i>)			4,356,679	7 6
			51,356,903	12 7
Public Buildings and Sites—				
Justice—				
Court-houses, Police-stations, and Lock-ups	533,423	12 2		
Gaols	188,155	14 4		
Mounted Patrol Barracks (Sydney and Country Districts)	15,729	12 5		
New Police Barracks, Redfern	22,000	0 0		
New Water Police Court and Watch-house, Sydney	9,483	6 11		
Central Police Court—Site and Buildings	78,000	0 0		
Supreme Court	2,973	6 6		
Justice Department and Crown Law Offices	16,261	3 6		
Law Offices, Chancery Square	1,900	0 0		
Offices and Site for Inspector-General of Police	42,693	8 4		
Steam Launch, Water Police	2,730	0 0		
Penitentiary for Females	42,568	5 2		
Juvenile Reformatories	19,946	17 9		
Site and Buildings, Boys' Reformatory...	8,295	11 10		
Nautical School-ship "Sobraon"	4,550	0 0		
Trial Bay Prison... ..	33,444	6 2		
			1,022,155	5 1
Lands—Ordinary—				
Lands Department, Head Office	174,344	12 9		
„ Offices, Grafton and Goulburn	1,825	0 0		
Local Land Boards and District Surveyors' Offices	28,186	1 2		
Blockholders' Loan Fund	2,000	0 0		
Loan to Pastures Protection Boards for purchase of wire-netting for destruction of rabbits	16,202	0 0		
Thinning-out and Improving Forest Reserves and Crown Lands	234,988	11 6		
			457,546	5 5
Closer Settlement—				
Purchase Myall Creek Estate			139,000	0 0
Educational and Scientific—				
Sydney University	230,237	4 1		
Public Schools	689,999	13 1		
High Schools	39,242	2 8		
Sydney Grammar School—Purchase of Site	25,000	0 0		
Technical Colleges and Technological Museums	119,742	3 6		
Agricultural Colleges, Farms, and Viti-cultural Stations	123,404	13 3		
School of Mines—Metallurgical and Assay Works	14,399	8 1		
Free Public Library	24,994	18 5		
Mitchell Library... ..	15,000	0 0		
Observatory	7,000	0 0		
Australian Museum	57,549	0 6		
National Art Gallery	68,673	15 1		
			1,415,242	18 8
Carried forward £			3,033,944	9 2
			51,356,903	12 7

APPENDIX F—continued.

Head of Service.	Amount.						Total.
	£	s.	d.	£	s.	d.	£ s. d.
Brought forward ... ..	.....			.....			55,772,868 7 6
Water Supply and Sewerage—							
Metropolitan Water Supply (in operation and under construction)	5,354,560	9	8				
Metropolitan Sewerage (in operation and under construction)	4,639,159	14	3				
				9,993,720	3	11	
Hunter District Water Supply (in operation and under construction)	437,520	10	5				
Hunter District Sewerage (in operation and under construction)	143,230	17	2				
				580,751	7	7	
Country Towns Water Supply (in operation and under construction)	781,070	12	2				
Country Towns Sewerage (in operation and under construction)	63,145	17	4				
				844,216	9	6	
							11,418,688 1 0
Conservation of Water, Artesian Boring, &c.	.....			.....			1,135,257 0 4
Roads and Bridges—							
Roads—Ordinary	97,200	9	9				
Roads of Access to Crown Lands... ..	16,362	7	4				
				113,562	17	1	
Bridges ... ..	.....			1,671,427	4	8	
Punts ... ..	.....			16,953	5	9	
							1,801,943 7 6
Harbours and Rivers Navigation—							
Improvements to Harbours and Rivers	3,193,522	2	2				
Wharfs, Docks, and Appliances, &c.	2,381,119	6	9				
				5,574,641	8	11	
Less transferred to Sydney Harbour Trust ... ..	.....			1,182,099	7	4	
							4,392,542 1 7
Darling Harbour Wharfs and Rocks Resumptions (balance transferred to Sydney Harbour Trust) ... ..	.....			.....			1,170,635 10 10
Sydney Harbour Trust—							
From Trust Votes ... ..	.....			513,902	2	6	
„ Public Works Votes ... ..	.....			1,471,366	4	2	
„ Darling Harbour Wharfs—Resumptions ... ..	.....			3,160,055	11	6	
							5,145,323 18 2
Immigration ... ..	.....			.....			569,930 0 0
Total, State Services ... ..	.....			.....			81,407,188 6 11
Commonwealth Services—							
Construction of Telegraph and Telephone Lines	1,297,582	7	1	.....		
Post and Telegraph Offices	464,262	7	3	.....		
Fortifications and Defence Works	1,457,536	0	4	.....		
Lighthouses... ..	144,288	5	1	.....		
Customs Buildings... ..	48,879	7	2	.....		
Quarantine Buildings, &c.... ..	18,098	13	11	.....		
				3,430,647	0	10	
Public Works, Queensland (prior to separation from New South Wales, on 10th December, 1859),—							
Public Works and Buildings	29,455	15	4	.....		
Harbours and Rivers	5,585	13	2	.....		
Roads and Bridges... ..	14,814	0	0	.....		
				49,855	8	6	
							3,480,502 9 4
Total, all Services ... ..	.....			.....			£ 34,887,690 16 3
Renewal of Loans ... ..	.....			.....			10,572,930 0 0
Grand Total... ... ..	.....			.....			95,460,620 16 3

APPENDIX H.

WATER AND DRAINAGE TRUST ACCOUNTS.

Instalments repayable, and Overdue Instalments—30th June, 1908.

Trust.	Gazetted Debt.	How payable.	Repayment Instalment.		Overdue Instalments.		
			Amount.	Due Dates.	Of Interest.	Of Principal.	Total.
	£ s. d.		£ s. d.		£ s. d.	£ s. d.	£ s. d.
Brundee Swamp Drainage Trust	980 11 4	Half-yearly	{ 21 14 5 21 14 4	January 1 July 1	.....	.....	.....
Big Swamp Drainage Trust	7,797 12 8	do	277 18 5	{ April 23 Oct. 23	First instalment due 23rd April, 1909. Interest at 4 per cent. Payments deferred on account of water being brackish. Minister's approval '06/A. 12,099.		
Boomi Bore Water Trust	1,120 3 2	Quarterly...	{ 16 13 5 *68 5 0	{ Jan. 2 April 2 July 2 Oct. 2			
Bourbah Bore do	1,194 7 6	do	{ 17 15 6 *28 0 0	{ Jan. 23 April 23 July 23 Oct. 23	Credit balance, £84 18s. 5d.		
Come-by-Chance Bore Water Trust— Original Works	3,852 8 1	Half-yearly	115 19 3	{ Jan. 1 July 1			
Additional Works	197 8 9	Quarterly...	2 18 9	{ Jan. 10 April 10 July 10 Oct. 10	First instalment due 5th August, 1908.		
Careunga Bore Water Trust	6,180 0 10	do	91 19 8	{ Feb. 5 May 5 Aug. 5 Nov. 5			
Eurie Eurie Bore do	4,907 1 0	Half-yearly	146 13 10	{ Jan. 1 July 1	6 2 3 2 19 9 9 2 0		
Do do do (additional)	203 15 8	Quarterly...	3 0 8	{ Feb. 6 May 6 Aug. 6 Nov. 6			
Euraba do do	863 5 9	do	{ 12 17 0 *68 6 6	{ Jan. 9 April 9 July 9 Oct. 9	Credit balance, £89 10s. 6d.		
Florida do do	2,984 3 9	Half-yearly	89 10 6	{ Jan. 1 July 1			
Kiga do do	5,658 3 1	Quarterly...	84 4 4	{ Mar. 26 June 26 Sept. 26 Dec. 26	4 11 1 2 8 3 6 19 4		
Lyndhurst Water Trust.....	233 19 11	do	3 9 8	{ Jan. 31 April 30 July 31 Oct. 31			
Mercadool Bore Water Trust	2,453 1 8	do	36 10 3	{ Mar. 12 June 12 Sept. 12 Dec. 12	First instalment due 12th August, 1908.		
Moomin do do	823 6 4	do	{ 12 5 1 *37 5 0	{ Feb. 12 May 12 Aug. 12 Nov. 12			
Neargo do do	3,812 0 0	do	56 14 9	{ Feb. 23 May 23 Aug. 23 Nov. 23	First instalment due 8th July, 1908.		
Nelson's Plains Drainage Trust	150 0 5	do	4 11 8	{ Mar. 5 June 5 Sept. 5 Dec. 5			
Oreel Bore No. 2 Water Trust	5,657 17 1	do	84 4 3	{ Feb. 27 May 27 Aug. 27 Nov. 27	3 10 6 1 16 4 5 6 10		
Old Gnomery do	4,132 10 0	do	61 10 2	{ Jan. 8 April 8 July 8 Oct. 8			
Terranora Swamp Drainage Trust	179 7 7	do	2 13 5	{ Feb. 23 May 28 Aug. 28 Nov. 28	59 13 8 32 2 8 91 16 4		
Three Corner Bore Water Trust	1,530 4 4	Half-yearly	45 18 2	{ Jan. 1 July 1			
Tulloona Bore do	1,283 9 0	Quarterly...	{ 19 2 1 *55 0 0	{ Jan. 16 April 16 July 16 Oct. 16	First instalment due 8th July, 1908.		
Uranbah do do	928 19 10	do	{ 13 16 6 *37 10 0	{ Jan. 16 April 16 July 16 Oct. 16			
Ulumbie do do	3,140 7 6	do	46 14 10	{ Jan. 17 April 17 July 17 Oct. 17	35 17 1 *19 0 0		
Walgett do do	2,409 0 9	do	{ 35 17 1 *19 0 0	{ Mar. 20 June 20 Sept. 20 Dec. 20			
Youendah do do	759 9 5	do	{ 11 6 1 *36 0 0	{ Jan. 16 April 16 July 16 Oct. 16			
Totals	£ 63,432 15 5				£ 73 17 6	39 7 0	113 4 6

APPENDIX I.

MISCELLANEOUS SERVICES ON WHICH REPAYMENTS BY INSTALMENTS ARE MADE.

Amounts outstanding on 30th June, 1908.

Service, &c.	Amount Advanced.	Date of Advance.	Authority, and Source of Payment.	Annual Repayments.	Amount due, 30th June, 1908.	Amount paid to 30th June, 1908.	Amount repayable.	Particulars.
Erection of a Garbage De- structor, Municipalities of Leichhardt & Annandale.	£ s. d. 3,400 0 0	6 Aug., 1902	Advance to Treasurer.	£ s. d. 238 0 0	£ s. d. 1,190 0 0	£ s. d. 1,190 0 0	£ s. d. 2,210 0 0	To be paid off by annual instalments at 7 per cent. on the original cost; interest at 3½ per cent. on outstanding balance.
Improvements, Denoby and Belambil Creeks, Murwil- lumbah. Colonial Sugar Refining Co.	1,700 0 0	1905	Revenue Votes, Works Depart- ment.	6d. per ton Royalty on sugar cane.	795 18 1	795 18 1	904 1 11	Total cost of work, £3,669 8s. 5d.; actual cost of dredging, £3,014. Further agreements are being prepared to cover balance of £1,314. Additional work of dredging Belambil Creek, costing another £750, is being carried out.
Construction of Weir, Cowra Muni- cipality £600 0 0 Less—Repaid 88 10 0 Written off 45 0 0 133 10 0	466 10 0	30 Mar., 1900	Loans, 60 Vic. 32	15 0 0 (Interest only.)	120 0 0	Nil.	120 0 0	Principal sum given as a free grant on condition that the Council pay interest on the £600 for ten years at 5 per cent. (subsequently reduced to 2½ per cent.)
Cost of construction of Dam across Queen Charlotte Vale Creek, at Caloola. L. Edgley.	{ 572 16 2 80 0 0 138 9 8 }	{ 1899 1901 }	{ Revenue Votes, Works Dept.	{ payable half-yearly. 31 18 6 }	248 9 6	152 14 0	638 11 10	Agreement to pay 5 per cent. on cost of construction, fixed at £31 18s. 6d., payable half-yearly.
Resumed Properties Depart- ment—Cottage at Balmain.	111 3 8	30 June, 1906	.....	10s. per week.	94 4 3	94 4 3	16 19 5	No arrears; interest calculated quarterly; repayments made fortnightly.
Cambridge Stores—Erection of Lift. Lichtner & Co.	120 0 0	— July, 1905	Advance to Treasurer.	24 0 0	72 0 0	48 0 0	72 0 0	To be repaid in five annual instalments of £24.
Cudgel Creek Cutting. Sir S. McCaughey.	{ 3,603 11 2 6,865 3 9 }	{ 30 May, 1905	{ Loans, 2 Ed. VII, No. 93.	{ payable half-yearly. 274 12 2 }	4,015 9 5	3,603 11 2	6,865 3 9	Agreement to pay 4 per cent. on the cost of construction (permanent) £6,865 3s. 9d., fixed at £274 12s. 2d., payable half- yearly.
Parkes Drainage. Muni- cipal Council.	250 0 0	23 Nov., 1906	Advance to Treasurer.	15 0 0	30 0 0	30 0 0	390 0 0	To be paid off in twenty-eight years; 4 per cent. interest.
Clay Cliff Storm-water Drain, Granville. Muni- cipal Council.	977 8 9	1904-5, Schedule J.	Revenue Votes, Works Depart- ment.	120 10 2	241 0 4	241 0 4	964 1 4	To be paid off in ten years; 4 per cent. interest.
Coonamble Bore. Muni- cipal Council.	1,500 0 0	1906	.....	90 0 5	180 0 10	180 0 10	1,319 19 2	To be paid off in twenty-eight years at 4 per cent. interest.

APPENDIX J.

Advances made to 30th June, 1908, Unadjusted or Overdue at date of publication of Report.

Year of Advance.	Department authorising Advance.	Trustees of—	Trustees or Accounting Officers.	Amount.
ADVANCES TO TRUSTEES TO 30TH JUNE, 1907.				
FROM CONSOLIDATED REVENUE ACCOUNT.				
1904-5	Lands	Parks, Recreation Grounds, Cemeteries, &c.	Trustees generally.....	£ s. d. 12 4 5
1905-6	"	"	"	156 17 0
1906-7	"	"	"	2,551 18 10
1907-8	"	"	"	1,273 19 7
"	Public Works	Cabarita Park.....	Zoellar, D., and four others	50 0 0
TOTAL OUTSTANDING, 30th June, 1908				£ 4,044 19 10

Year of Advance.	Department authorising Advance.	Trustees or Accounting Officers.	Amount.
ADVANCES TO PUBLIC OFFICERS AND OTHERS, TO 30TH JUNE, 1908.			
FROM CONSOLIDATED REVENUE ACCOUNT.			
1899-1900	Treasury	Officer Commanding New South Wales Lancers to South Africa	£ s. d. 305 6 0
1905-6	"	Lichtner & Co.	72 0 0
"	Public Works	Barker, W. M.	50 0 0
1906-7	Chief Secretary	Hay District Hospital	500 0 0
"	Treasury	Kempsey Municipal Council	100 0 0
"	"	Coghlan T. A.	500 0 0
"	Public Works	Davis, J.	320 0 0
1907-8	Chief Secretary	Returning Officers.....	0 8 0
"	Police	Garvin, T.	50 0 0
"	Treasury	Federal Government	*25,000 0 0
"	Attorney-General and Justice	Soby, Nicholas	25 0 0
"	Intestate Estates	Garrett, T. W.	250 0 0
"	Public Works	Steel, T. R.	10 9 1
"	Hunter District Water Supply and Sewerage Board...	Allan, P.	11 0 9
"	Public Instruction.....	University of Sydney.....	1,300 4 5
"	"	Levy, F. D.	50 0 0
"	State Children	Green, A. W.	96 14 3
"	Agriculture	Newcastle and District A. H. and I. Association	150 0 0
"	"	Anderson, H. C. L.	285 0 0
Total outstanding, 30th June, 1908			£ 29,076 2 6

GENERAL LOAN ACCOUNT.			
1907-8	Public Works	Steel, T. R.	386 1 1
Total outstanding, 30th June, 1908			£ 386 1 1

SPECIAL DEPOSITS ACCOUNT.			
1906-7	Intelligence	Anderson, H. C. L.	100 0 0
"	Railways	Davis, J.	150 0 0
1907-8	Intelligence	Anderson, H. C. L.	65 0 0
"	Public Works	Steel, T. R.	5 0 0
Total outstanding, 30th June, 1908			£ 320 0 0

PUBLIC WORKS FUND ACCOUNT.			
1906-7	Chief Secretary	Burrage Hospital	200 0 0
"	"	Temora "	400 0 0
"	"	Lower Clarence Hospital	200 0 0
"	"	Warren District	350 0 0
1907-8	"	Condobolin Hospital	388 17 1
"	"	Cowra "	250 0 0
"	"	Lismore "	100 0 0
"	"	Granville Electorate Hospital	500 0 0
"	"	Burrage District "	396 15 0
"	"	Manning River District "	250 0 0
"	"	Camden Cottage "	400 0 0
"	"	Walgett "	70 0 0
"	"	Lithgow District Cottage,,	250 0 0
"	"	Wyalong "	175 0 0
"	Public Works	Municipal Council, Katoomba	75 0 0
Total outstanding, 30th June, 1908			£ 4,005 12 1
Grand Total			£ 33,787 15 8

* Deducted from Commonwealth Returns for the month of November, 1907, for N.S. Wales Money Order Business.

APPENDIX K.

Disbursements during 1907-8 WITHHELD from CERTIFICATES OF DISCHARGE to the Colonial Treasurer.

Item No.	Head of Account.	Why withheld.	Amount.
	Consolidated Revenue Account.		£ s. d.
154	Railway and Tramway Working Expenses—Expenditure Suspense Account.	Expended without appropriation or warrant	179,515 12 4

APPENDIX L.

Surcharges RAISED under the 47th Section of the "Audit Act, 1902."

Revenue Recovered, 1907-8.					
	£ s. d.	£ s. d.		£ s. d.	s. d.
Chief Secretary and Secretary for Mines, &c.:—			Secretary for Lands:—		
Police	13 4 0		Crown Lands Agents	6 15 0	
Mining Registrars	35 13 6		District Surveyor	1 10 0	
Wardens' Clerks	0 2 6		Foresters	3 5 0	11 10 0
Royalty on Minerals	0 4 10				
Hospitals for Insane	3 2 2	52 12 0	Secretary for Public Works:—		
			Shire Councils		102 18 2
Treasurer and Secretary for Finance and Trade:—	£ s. d.		Secretary for Agriculture:—		
State, per Customs ...	33 9 0		Registration of Brands	0 5 0	
Navigation Department	0 4 8		Pastures Protection Boards	12 9 3	
	33 13 8		Inspectors of Stock	7 4 2	19 18 5
Western Lands Leases	9 16 0				
Homestead Selections	0 12 11		Total, Revenue recovered...		1,202 9 10
Government Savings Bank	0 7 0	837 10 11			
Conditional Purchases	793 1 4		Departmental Stores Accounts:—		
		115 0 3	Recoveries.		
Railway Commissioners			Resumed Properties Department		
Attorney-General and Justice:—			Cash (Fine)	7 10 0	
Registrar of Probates	0 15 6		Material	2 0 0	9 10 0
Curator of Intestate Estates	5 6 10				
Master-in-Equity	0 15 2		Revenue in course of Recovery:—		
Prothonotary	0 1 0		Conditional Purchases	361 9 4	
Bail Magistrate	1 18 6		Clerks of Petty Sessions	42 6 11	
Clerks of Petty Sessions	48 6 1		Stock Inspectors	35 15 6	
Registrars Births, Marriages, and Deaths	0 8 0		Pastures Protection Boards	17 6 8	456 18 5
Poundage	5 9 0	63 0 1			

APPENDIX L—continued.

SURCHARGES raised under the 47th Section of the "Audit Act of 1902."—continued.

Accounting Officer.	Amount of Surcharge.	Recovered and Recredited to Vote or Revenue.	Explained, Written-off, or Outstanding.
Excess Disbursements Recovered, 1907-8.			
Chief Secretary :—	£ s. d.	£ s. d.	£ s. d.
Inspector-General of Insane	2 15 7	0 18 5	{ + 0 15 0
„ Police	13 18 7	13 18 7	{ 1 2 2
„ Charities	3 4 8	1 15 1	{ * 0 7 6
Under Secretary	13 15 8	1 18 6	{ * 1 2 1
Chairman, Board of Fisheries	0 8 8	0 2 0	{ 0 7 8
„ Aborigines Protection Board	0 4 10	0 3 3	+ 0 6 8
Chief Medical Officer	0 6 4		0 1 7
Secretary, Stores Supply and Tender Board	5 16 4	2 2 3	0 6 4
			3 14 1
Treasurer and Secretary for Finance and Trade :—			
Under Secretary	64 15 5	39 12 6	{ + 1 3 9
Superintendent of Navigation	1 15 7	0 16 1	{ 23 19 2
First Commissioner of Taxation	3 6 10	0 5 9	0 19 6
Old-age Pensions	27 7 2	27 7 2	3 1 1
Director, Intelligence Department	1 13 8	0 4 2	* 1 9 6
Government Printer	0 6 0	0 2 3	0 3 9
Principal Librarian	0 2 4	0 2 4	
Shipping Master, Sydney	0 19 2	0 19 2	
Chief Commissioner for Railways and Tramways	54 1 2	1 4 6	52 16 8
Attorney-General and Justice :—			
Under Secretary	1 11 3	1 2 3	0 9 0
Registrar-General	1 19 0		1 19 0
Registrar-in-Bankruptcy	1 0 0	1 0 0	
Comptroller-General of Prisons	0 7 6	0 7 6	
Sheriff	7 2 6	7 0 0	0 2 6
Secretary for Lands :—			
Under Secretary	31 10 7	20 16 4	{ + 1 5 0
Improvement Leases Board	0 1 2	0 1 2	{ 9 9 3
Chairman, National Park Trust	0 1 0	0 1 0	
Secretary, Western Land Board	0 1 8	0 1 8	
Secretary for Public Works :—			
Under Secretary	††69,352 15 4	163 13 5	{ +69,152 8 1
Port Kembla Harbour Works	1 1 9	1 1 9	{ 16 13 10
President, Metropolitan Water Supply and Sewerage Board	4 8 3	0 15 0	3 13 3
„ Hunter District Water Supply and Sewerage Board	0 12 6	0 12 6	
Shire Councils	252 14 0	252 14 0	
Public Instruction :—			
B. O. Officer, State Children's Relief Department	5 0 6	3 8 0	{ * 0 7 2
Under Secretary	10 18 9	5 13 6	{ + 0 7 0
Curator, Australian Museum	1 4 6		{ 0 18 4
Superintendent, Industrial School, Girls, Parramatta	0 18 1	0 3 1	5 5 3
„ Carpenterian Reformatory	0 5 0	0 5 0	1 4 6
Government Astronomer	3 19 7		0 15 0
Schools of Arts	7 10 0	7 10 0	+3 19 7
Secretary for Mines and Agriculture :—			
Under Secretary	19 10 8	3 1 5	16 9 3
Agricultural Associations	3 0 0	3 0 0	
Totals	£ 69,912 11 7	593 19 7	69,318 12 0

SUMMARY.

Cash Recoveries.

	£ s. d.
Revenue recovered	1,202 9 10
Departmental Stores recoveries	9 10 0
Excess Disbursements recovered	593 19 7
Total	£ 1,805 19 5

By Transfers.

Recoveries to Revenue by Transfers from Trust Funds, &c. :—		
State Children's Relief Department		50 0 0
Prothonotary and Divorce		259 7 6
„ Registrar-General		67 0 0
Clerks of Petty Sessions		300 0 0
Police		173 5 2
		9 0 0
Total	£	858 12 8

* Items written off by Executive Council Minute.

† Items under consideration which may be recovered.

†† Formal Surcharges, amounting in the aggregate at this date to £69,429 11s. 7d., have been issued against the Minister for Works, on account of payments made on vouchers certified by Officers of Shire Councils, which is not legal under Section 41 of the Audit Act of 1902 (*vide* remarks on page 208.)

APPENDIX M.

AUTHORITIES GRANTED BY THE GOVERNOR-IN-COUNCIL, under Sections 49 and 51 of Audit Act, 1902, for Relief of Accounting Officers from Surcharges and for the Allowance of Expenditure without Written Vouchers, during 1907-8.

Accounting Officers.	Amount.	Year of Service.	No. of Executive Council Minute.	Service.	Reason why Relief Granted.
RECEIPTS.					
Treasurer and Secretary for Finance and Trade :—	£ s. d.				
Sydney Harbour Trust.....	25 4 0	1907-8	10 of 1908	Rent	Irrecoverable.
Government Printer	4 11 9	1903-7 and previous years	25 „ 1908	Outstanding Amounts	„
Railways :—					
Railway Commissioners	90 0 0	1907-8	49 „ 1907	Concession in Fares	Special circumstances
„	15 0 0	1903-7 and previous years	1 „ 1908	Rent	Irrecoverable.
„	67 16 3	1906-7	12 „ 1908	Concession in Freight	Special circumstances.
„	21 18 4	1906-7	8 „ 1903	„ Fares.....	„ „
„	9 10 0			„	„ „
„	6 11 9	1907-8	25 „ 1908	Concession in Freight.....	„ „
„	17 5 0	1903-7	28 „ 1908	„ „	„ „
„	12 17 3	1907-8	28 „ 1903	„ „	„ „
„	1,107 19 6	1907-8 and previous years	30 „ 1908	Demurrage, Spurious Coins, &c.	Irrecoverable.
Public Works :—					
Director of Labour	41 15 1	1906-7 and previous years	25 „ 1908	Advances to Unemployed	„
DISBURSEMENTS.					
Colonial Secretary, Labour and Industry :—					
Inspector-General of Charities	0 7 6	1906-7	51 „ 1907	Coal Excess Charge	Special circumstances.
Returning Officer, The Darling Electorate...	11 9 6	1906-7	31 „ 1907	Postage Stamps	Irrecoverable.
„ The Castlereagh.....	1 5 0	1906-7	54 „ 1907	Election Expenses	Voucher unobtainable.
„ The Glebe	0 10 0	1904-5	2 „ 1908	Postage Stamps	Irrecoverable.
Treasurer and Secretary for Finance and Trade :—					
Superintendent of Navigation.....	0 19 2	1903-6	44 „ 1907	Allowance in lieu of Quarters	Acquittances unobtainable.
Agent-General	87 7 2	1906-7	18 „ 1908	Railways	Vouchers „
Secretary for Lands :—					
Trustees, Forbes Cricket Ground	5 0 0	1905-6	38 „ 1907	Improvements—Cricket Ground	Acquittances
„ Coolac Recreation Ground	5 0 0	1906-7	33 „ 1907	„	„ „
„ Woolomin Recreation Reserve	20 0 0			„	„ „
36,207	5 0 0	1903-6	38 „ 1907	„	„ „
Secretary for Public Works :—					
Under-Secretary	46 7 5	1904-5	44 „ 1907	Compensation, Rocks Resumption	Irrecoverable.
„	3 0 0	1907-8	30 „ 1907	Removal Expenses	Vouchers unobtainable.
„	86 2 9	1907-8	13 „ 1908	Wages—Dockyard	„ lost.
„	1 0 7	1907-8	17 „ 1908	„	Acquittance unobtainable.
„	21 8 5	1906-7	22 „ 1908	Provisions.....	Voucher unobtainable.
Temporary Shire Councils	4 14 0	1906-7	34 „ 1907	Election of Councillors	„ „
„	0 8 7	1906-7	35 „ 1907	Excess Allowances	Special circumstances.
„	17 9 3	1906-7	26 „ 1907	Election of Councillors	Vouchers unobtainable.
„	1 8 3	1906-7	46 „ 1907	„	„ „
„	23 0 5	1906-7	26 „ 1907	„	„ „
„	7 16 11	1906-7	25 „ 1907	„	„ „
„	8 5 10	1906-7	22 „ 1907	Excess Allowances	„ „
„	1 13 6	1906-7	25 „ 1907	Election of Councillors	Acquittances unobtainable.
„	0 6 8	1906-7	53 „ 1903	Over-payment	Irrecoverable.
„	0 4 1			„	„ „
„	3 10 0	1906-7	37 „ 1907	Travelling Expenses	Vouchers unobtainable.
„	6 13 0	1903-7	21 „ 1907	Election of Councillors	„ „
„	0 15 0	1906-7	18 „ 1907	„	„ „
„	5 1 11	1906-7	29 „ 1907	„	„ „
„	5 10 0	1906-7	24 „ 1907	„	„ „
Public Instruction :—					
Executive Commissioner to N.S.W. Court,					
New Zealand Industrial Exhibition	1 9 6	1906-7	46 „ 1907	Excess Payment	Special circumstances.
Superintendent, Industrial School for Girls...	0 15 0	1906-7	2 „ 1908	„	„ „
Boarding-out Officer, S.C.R. Department	0 7 2	1907-8	10 „ 1903	Loss on Contract	„ „
„	1 5 0	1907-8	15 „ 1908	Money Order Lost	Voucher unobtainable.

APPENDIX N.

Balances at credit of PASTURES PROTECTION BOARDS at 31st December, 1907.
(As published in the Balance Statements of Account in *Government Gazette*).

Board.	Amount.	Board.	Amount.	Board.	Amount.
	£ s. d.		£ s. d.		£ s. d.
Albury	459 14 0	Forbes	496 4 11	Pilliga	606 5 8
„ (fixed deposit)..	400 0 0	Glen Innes	380 19 8	Port Macquarie	50 3 3
Armidale	2,664 0 3	Goulburn	624 0 0	„ (S. Bk.)	103 15 0
Balranald	603 0 10	Grafton..	264 1 1	Port Stephens.....	272 2 0
Bathurst	818 11 9	Gundagai	1,147 19 10	Queanbeyan.....	565 12 5
Berrima	129 1 1	Hay	821 9 4	Singleton	225 11 10
Bourke	2,137 16 2	„ (fixed deposit) ..	100 0 0	Sydney	404 3 0
Braidwood (S. Bank)...	303 13 7	Hillston	612 9 3	Tamworth	1,222 16 4
„ (Bk. N.S.W)	22 5 11	Hume	894 19 3	Tenterfield	760 1 8
Brewarrina	634 6 0	Ivanhoe	363 12 8	Tweed-Lismore	155 1 1
Broulee.....	74 13 9	Jerilderie	429 12 7	Urana	98 5 9
„ (S. Bank).....	2 1 5	Kiama	93 11 2	„ (fixed deposit)..	600 0 0
Canonbar	515 3 11	Maitland	220 14 9	Wagga Wagga	1,388 6 2
Carcoar.....	601 11 7	Menindie	166 19 8	Walgett	291 9 6
Casino	325 9 11	Merriwa	399 6 1	Walgett North	226 11 5
Cobar	685 6 7	Milparinka	334 17 11	Wanaaring	542 2 8
Condobolin	633 12 4	Molong	1,551 9 2	Warialda	1,256 14 11
Cooma	1,271 15 9	Moree	324 19 4	„ (fixed deposit)	530 9 0
Coonabarabran	353 18 3	„ (fixed deposit)..	1,000 0 0	Wentworth	500 8 1
Coonamble	154 15 6	Moulamein	153 4 4	Wilcannia	545 16 8
Corowa	146 10 9	Mudgee	123 14 5	Yass	253 18 1
Deniliquin	489 8 11	Murrurundi	527 0 2	Young	1,431 11 5
Denman	262 3 1	Narrandera	656 5 2		
Dubbo	43 4 8	Narrabri	285 13 9		
„ (fixed deposit)..	500 0 0	Nepean & Hawkesbury	259 11 4		
Eden	149 0 2	Picton	267 11 1		
					£ 38,912 19 0

APPENDIX O.

Comparative Statement of Balances of STORES ON HAND AT LAST STOCK-TAKING, and PREVIOUS STOCK-TAKING, showing Increases and Decreases under each head:—

Department.	1906-7.		1907-8.		Increase.	Decrease.
	Date of Stock-taking.	Value of Stock.	Date of Stock-taking.	Value of Stock.		
I.						
His Excellency the Governor :—		£ s. d.		£ s. d.	£ s. d.	£ s. d.
H.E. the Governor	Mar. 31...	10 11 6	Mar. 31...	15 4 10	4 13 4	.....
II.						
Executive and Legislative :—						
Legislative Assembly	Mar. 31...	33 6 10	Mar. 31...	32 0 8	.....	1 6 2
Parliamentary Library	„ 31...	51 13 1	„ 31...	42 0 6	.....	9 12 7
Parliamentary Reporting Staff ..	Nil.....	.....	Nil.....	.....	.....	.....
Parliamentary Standing Committee ..	Mar. 31...	2 9 6	April 7..	1 3 10	.....	1 5 8
Legislative Council	„ 31...	26 2 11	Mar. 31...	16 5 3	.....	9 17 8
Total, Executive and Legislative .....	.....	113 12 4	.....	91 10 3	.....	22 2 1
III.						
Colonial Secretary and Secretary for Mines :—						
Chief Secretary	Mar. 31...	40 13 5	Mar. 31...	38 8 4	.....	2 5 1
Mines, Head Office	See under Mines & Agriculture		.....	61 8 5	61 8 5	.....
Auditor-General	Mar. 31...	22 11 9	Mar. 31...	24 4 0	1 12 3	.....
Police	„ 31...	6,140 3 11	„ 31...	7,317 17 10	1,177 13 11	.....
Hospitals for Insane	Feb. 28...	4,400 19 10	Feb. 29...	3,841 2 4	.....	559 17 6
Reception House, Darlinghurst	„ 28...	14 6 4	„ 29...	27 5 9	12 19 5	.....
Inspector-General of Insane	„ 28...	4 3 0	„ 29...	1 18 3	.....	2 4 9
Master-in-Lunacy	April 17...	10 10 3	April 8...	10 11 0	0 0 9	.....
Quarantine	Mar. 31...	2,881 17 11	Mar. 31...	2,753 16 6	.....	123 1 5
Coast Hospital	„ 31...	1,570 4 6	„ 31...	1,714 6 5	144 1 11	.....
Abattoirs	„ 31...	75 4 2	„ 31...	99 16 8	24 12 6	.....
Registrar, Friendly Societies	„ 31...	12 2 1	„ 31...	8 8 1	.....	3 14 0
Government Asylums	June 30...	1,878 13 1	„ 31...	1,805 9 10	.....	73 3 3
Fisheries	Mar. 31...	48 5 2	„ 31...	76 13 10	28 8 8	.....
Government Statistician	„ 31...	89 5 9	See under Treasury.		.....	89 5 9
Botanic Gardens	„ 31...	109 12 8	.....		.....	109 12 8
Nursery Garden, Campbelltown	„ 31...	12 4 2	See under Agriculture.		.....	12 4 2
Government Domains	„ 31...	78 8 3	.....		.....	78 8 3
Garden Palace Grounds	„ 31...	3 7 4	.....		.....	3 7 4
Centennial Park	„ 31...	65 3 10	.....		.....	65 3 10
Stores Supply and Tender Board	„ 31...	3,584 1 1	See under Treasury.		.....	3,584 1 1
State Clothing Factory	June 30...	2,445 11 4	.....		.....	2,445 11 4
Total, Colonial Secretary and Secretary for Mines .....	.....	23,487 9 10	.....	17,786 7 3	1,450 17 10	7,152 0 5
IV.						
Treasurer and Secretary for Finance and Trade :—						
Treasury	Mar. 31...	35 15 7	Mar. 31...	23 18 3	.....	11 17 4
Stamp Duties	„ 31...	9 14 8	„ 31...	10 13 6	0 18 10	.....
Land and Income Tax	„ 19...	45 2 10	„ 31...	39 10 5	.....	5 12 5
Government Printer	„ 31...	17,445 0 0	„ 31...	12,848 10 10	.....	4,596 9 2
Navigation	„ 31...	1,764 16 7	„ 31...	2,455 6 3	690 9 8	.....
Old-age Pensions	„ 31...	19 17 11	„ 31...	19 12 11	.....	0 5 0
Government Savings Bank	„ 31...	57 13 7	No Return supplied.		.....	57 13 7
Resumed Properties	„ 31...	160 3 7	Mar. 31...	193 4 0	33 0 11	.....
Sydney Harbour Trust	„ 31...	1,198 2 0	„ 31...	1,659 17 11	461 15 11	.....
Government Statistician .....	.....		„ 31...	87 6 11	87 6 11	.....
Stores Supply and Tender Board	See under Colonial Secretary.		„ 31...	5,384 17 2	5,384 17 2	.....
State Clothing Factory .....	.....		June 30...	3,916 7 1	3,916 7 1	.....
Total, Treasurer and Secretary for Finance and Trade .....	.....	20,736 6 9	.....	26,639 5 9	10,574 16 6	4,671 17 6
V.						
Railway Commissioners :—						
Railways and Tramways (<i>Ledger Balances</i>) ...	Mar. 31...	374,689 13 2	Mar. 31...	468,943 11 3	94,253 18 1	.....
VI.						
Attorney-General and Justice :—						
Head Office	Mar. 31...	30 11 5	Mar. 31...	43 6 0	12 14 7	.....
Sheriff	„ 31...	6 13 6	„ 31...	4 17 8	.....	1 15 10
District Court	„ 31...	7 7 10	„ 31...	12 10 8	5 2 10	.....
Prisons generally	„ 31...	16,374 8 0	„ 31...	17,506 3 4	1,131 15 4	.....
Court of Industrial Arbitration	„ 31...	16 7 9	„ 31...	16 14 6	0 6 9	.....
Public Service Board	„ 31...	19 3 6	„ 31...	18 0 6	.....	1 3 0
Total, Attorney-General and Justice .....	.....	16,454 12 0	.....	17,601 12 8	1,149 19 6	2 18 10
Carried forward .....	.....	435,492 5 7	.....	531,077 12 0	107,434 5 3	11,848 18 10

APPENDIX O—continued.

Comparative Statement of Balances of STORES ON HAND, &c.—continued.

Department.	1906-7.		1907-8.		Increase.	Decrease.
	Date of Stock-taking.	Value of Stock.	Date of Stock-taking.	Value of Stock.		
Brought forward		£ s. d. 435,492 5 7		£ s. d. 531,077 12 0	£ s. d. 107,434 5 3	£ s. d. 11,848 18 10
VII.						
Secretary for Lands:—						
Head Office.....	Mar. 31..	4,915 19 6	Mar. 31..	4,485 15 3		430 4 3
Land Board and District Survey Offices	„ 31..	283 17 1	„ 31..	268 8 9		15 8 4
Total, Secretary for Lands.....		5,199 16 7		4,754 4 0		445 12 7
VIII.						
Public Works Department:—						
Government Dockyard (<i>Ledger Balance only</i>)	Mar. 31..	5,224 5 6	Mar. 31..	6,341 0 4	1,116 14 10	
Cockatoo Island (<i>do do do</i>)	„ 31..	4,756 2 7	„ 31..	2,323 3 10		2,432 18 9
(Roads and Bridges and Water Supply Material, &c.)						
General Depot (Murray-street) (<i>Ledger Balance only</i>).....	„ 31..	13,468 6 8	„ 31..	12,296 9 11		1,171 16 9
Architect's Yard (<i>Ledger Balance only</i>)	„ 31..	3,308 15 11	„ 31..	4,671 8 3	1,362 12 4	
Stationery, &c.	June 30..	1,348 9 5	June 30..	1,077 5 9		271 3 8
State Labour Bureau—Head Office and Randwick	Mar. 31..	120 17 4	Mar. 31..	180 6 3	59 8 11	
Casual Labour Farm, Pitt Town	„ 31..	41 15 7	„ 31..	49 5 4	7 9 9	
Railway Construction (<i>Ledger Balance only</i>)	„ 31..	147,730 7 9	„ 31..	121,588 7 2		26,142 0 7
Newcastle District Works Office (<i>Ledger Balance only</i>)	„ 31..	1,434 10 4	„ 31..	2,404 12 4	940 2 0	
Metropolitan Board of Water Supply and Sewerage	1906. June 30..	26,787 15 6	„ 31..	36,491 11 4	9,703 15 10	
Hunter District Board of Water Supply and Sewerage	1907. Mar. 31..	4,013 7 6	„ 31..	4,435 10 1	442 2 7	
Total, Public Works Department		208,264 14 1		191,879 0 7	13,632 6 3	30,017 19 9
IX.						
Public Instruction:—						
Head Office	Mar. 31..	24 7 7	Mar. 31..	29 3 4	4 15 9	
Technical Education.....	„ 31..	18 18 1	„ 31..	19 4 5	0 6 4	
State Children's Relief.....	„ 31..	681 8 5	„ 31..	990 8 9	309 0 4	
N.S.S. "Sobraon"	„ 31..	513 8 1	„ 31..	1,024 12 9	511 4 8	
Industrial School, Parramatta	„ 31..	44 19 11	„ 31..	82 9 0	37 9 1	
Carpenterian Reformatory	„ 31..	193 12 1	„ 31..	151 14 8		41 17 5
Observatory	„ 31..	15 6 11	„ 31..	14 0 0		1 6 11
Australian Museum	„ 31..	481 3 11	„ 31..	459 11 10		21 12 1
Library	„ 31..	69 17 6	„ 31..	70 3 7	0 6 1	
Art Gallery.....	„ 31..	34 5 3	„ 31..	30 0 9		4 4 6
Total, Public Instruction		2,077 7 9		2,871 9 1	863 2 3	69 0 11
X.						
Secretary for Mines:—						
Head Office.....	Mar. 31..	60 17 4	<i>See under Colonial Secretary.</i>			60 17 4
Department of Agriculture:—						
Hawkesbury Agricultural College.....	„ 31..	229 12 0	Mar. 31..	214 1 9		15 10 3
Wollongbar Experiment Farm	June 30..	47 16 10	„ 31..	96 13 1	48 16 3	
Wagga Wagga Experiment Farm	Mar. 31..	134 8 11	„ 31..	179 10 4	45 1 5	
Bathurst Experiment Farm	„ 31..	17 17 8	„ 31..	7 17 10		9 19 10
Howlong Viticulture Station	„ 31..	10 0 0	„ 31..	33 4 6	28 4 6	
Export Branch	Dec. 31..	137 11 2	Dec. 31..	65 12 10		71 18 4
Botanic Gardens	<i>See under Colonial Secretary.</i>		Mar. 31..	107 7 7	107 7 7	
Nursery Garden, Campbelltown			„ 31..	12 8 8	12 8 8	
Government Domains			„ 31..	56 13 6	56 13 6	
Garden Palace Grounds			„ 31..	5 3 1	5 3 1	
Centennial Park	<i>No previous Return.</i>		„ 31..	59 6 4	59 6 4	
Belindigabar Experiment Farm.....			May 16..	16 9 8	16 9 8	
Total, Agriculture.....		638 3 11		859 9 2	379 11 0	158 5 9
		£ 651,672 7 11		731,441 14 10	122,309 4 9	42,539 17 10
Metropolitan Board of Water Supply and Sewerage, material chargeable to Loans Account, &c.						
	Mar. 31..	45,026 0 0	Mar. 31..	43,032 0 3		1,993 19 9
Grand Total.....		£ 696,693 7 11		774,473 15 1	122,309 4 9	44,533 17 7
Net Increase					£77,775 7s. 2d.	

APPENDIX P.

RAILWAY RATES LEVIED without the sanction of the Governor and Executive Council,—but subsequently obtained—
during 1907-8.

Fares, or Class of Merchandise.	Particulars of Rates.	Number and Date of—	
		Audit Query.	Executive Council Minute.
Combination Tickets between Sydney and certain Suburban Stations and Penrith.	Special Combination Tickets covering the return Railway journey between Sydney and certain Suburban Stations and Penrith, with admission to enclosures on banks of Nepean River on occasion of the Championship Boat Race, 2nd March, 1907 ; 1st Return, 7s. 6d. ; 2nd Return, 5s. Railway proportions, 5s. and 2s. 6d. respectively—Rates less than the ordinary tariff rates.	3,677 C, 7 June, 1907	No. 27, 1 July, 1907
Meadowbank—Rates—Alteration of.	Ordinary rates to be charged on all traffic from Meadowbank to destination, previously charged as from Darling Harbour.	3,718 C, 23 June, 1907	No. 27, 1 July, 1907
Fares, University Students, School Pupils, &c.	Concession Fares to Students, &c., provided for on page 18 of the Coaching Rate Book, will be allowed from Stations in the Metropolitan and Newcastle Suburban areas to Stations distant 22 miles and upwards from Sydney, Milson's Point, and Newcastle, respectively, and <i>vice versa</i> , also between Stations outside these limits.	3,782 C, 22 July, 1907	No. 31, 30 July, 1907
Conveyance of Advertising Matter, &c., free.	Free carriage by rail of advertising, and such other matter, forwarded by Intelligence Department to various towns.	3,686 C, 14 June, 1907	No. 31, 30 July, 1907
Exhibits	Exhibits for First Australian Exhibition of Women's Work held at Sydney 9th to 14th September, 1907, carried free by rail.	3,782 C, 22 July, 1907	No. 31, 30 July, 1907
Season Tickets—Rebates ...	Departmental (Employees) Half-fare Tickets to be treated as Full-fare Tickets when dealing with the question of rebates to male relatives of the same household.	3,999 C	No. 261, 7 Jan., 1908
Special Train Rates	Sydney to Murrurundi, £87 12s. charged, instead of £109 10s. for mileage in addition to fares for passengers carried.	3,880 C, 9 Oct., 1907	No. 8, 25 Feb., 1908
Special Train Rates	Sydney to Richmond, £9 10s. charged, instead of £19 10s. for mileage.	3,880 C, 9 Oct., 1907	No. 8, 25 Feb., 1908
Season Tickets—Rebates ...	Extending the scope within which the rebates already provided for in Railway Season Ticket Rates in certain cases shall be allowed.	4,032 C, 25 Jan., 1908, and 4,083, 19 Mar., 1908.	No. 17

APPENDIX Q.

Cases submitted during 1907-8 by Auditor-General, under SECTION 15 of Audit Act, 1902, to the ATTORNEY-GENERAL and CROWN SOLICITOR, and the OPINIONS obtained thereon.

CASE I.

Appointment of Keepers, Under-keepers, &c., Department of Prisons.

Sir,

Audit Department, 20th September, 1907.

I have the honor to submit the following case for your consideration and opinion.
Section 10 of the Prisons Act, No. 27, 1899, requires that—

“All the keepers and under-keepers of prisons, and the assistants of such keepers and under-keepers and all other persons required and employed for the safety and care of prisons and of the prisoners confined therein, shall be nominated and appointed by the Comptroller of Prisons, subject to the approbation of the Governor.”

Regulation No. 80 under the same Act, which was approved on 19th October, 1904, reads thus—

“All acting gaolers, matrons and acting matrons, and all warders of the various grades, engineers, overseers, foremen, messengers and carters, shall be selected and appointed by the Comptroller-General of Prisons, and shall also be subject to be reprimanded, fined or dismissed by him for unfitness, disobedience, neglect, or for any other sufficient misconduct.”

Opinion is kindly requested as to whether the powers granted under Regulation No. 80 are not in excess of those contemplated in Section 10 of the Prisons Act, 1899.

All papers attached.

I have, &c.,

J. VERNON,

Auditor-General.

The Crown Solicitor.

Sir,

Crown Solicitor's Office, Sydney, 16th October, 1907.

Referring to your letter of the 20th ultimo, in which advice is sought on the question whether the powers granted under Prisons Regulation No. 80 are not in excess of those contemplated in section 10 of the Prisons Act, 1899, I have the honor to advise as follows:—

The question on which I gather my advice is really sought is whether the sanction of the Governor is not necessary to the appointment of warders, &c., in terms of section 10 of the Act cited.

The Comptroller-General states that under the present practice, which has been in force ever since there was a Prisons Act, the approval of the Governor is not sought. As this practice appears to have been sanctioned by more than one Attorney-General, I am not prepared to advise that it is wrong.

Departmental papers herewith.

I have, &c.,

JNO. V. TILLET,

Crown Solicitor.

The Auditor-General.

Appointment of Keepers, Under-keepers, &c., Department of Prisons.

Sir,

Department of Audit, 24th December, 1907.

Adverting to my letter of 20th September last, and your reply thereto dated 16th October, on the subject of appointment of keepers, under-keepers, &c., Department of Prisons, I now have the honor to state that the subject was subsequently submitted to the Premier, Attorney-General, and Minister of Justice, by the Under-Secretary of that Department, and the Premier minuted thereon: “ . . . This matter can be finally settled by the Attorney-General only, and then when the point has been appropriately raised.”

I, therefore, in accordance with that suggestion, request that you will be good enough to obtain, for my guidance, the decision of the Attorney-General as to whether the sanction of the Governor is necessary or not to appointments of warders, keepers, and under-keepers, in terms of Section 10 of the Prisons Act No. 27, 1899, which reads:—

“All the keepers and under-keepers of prisons, and the assistants of such keepers and under-keepers, and all other persons required and employed for the safety and care of prisons and of the prisoners confined therein, shall be nominated and appointed by the Comptroller of Prisons, subject to the approbation of the Governor.”

On 19th October, 1904, a Regulation No. 80, under the above Act, was approved by the Governor, with the advice of the Executive Council, and reads:—

“All acting gaolers, matrons, and acting matrons, and all warders of the various grades, engineers, overseers, foremen, messengers, and carters, shall be selected and appointed by the Comptroller-General of Prisons, and shall also be subject to be reprimanded, fined, or dismissed by him for unfitness, disobedience, neglect, or for any other sufficient misconduct.”

As that Regulation omits any mention of the “Governor's approbation” being necessary, it seems to me that it is *ultra vires*, or in excess of the 10th Section of the Prisons Act, 1899.

I attach all previous correspondence on the question, which I request may be returned to me in due course.

I have, &c.,

J. VERNON,

Auditor-General.

The Crown Solicitor.

Subject:—

APPENDIX Q—continued.

Subject:—Question of the legality of the Comptroller-General of Prisons making appointments of Warders, &c., to Gaols, without the approval of the Governor.

Sir,

Crown Solicitor's Office, Sydney, 17 January, 1908.
With reference to your communication of the 24th ultimo, relating to the above matter, I have the honour to inform you that I have, as requested, submitted the question to Mr. Attorney-General Wade, a copy of whose advising thereon will be found herewith.

Departmental papers herewith.

I have, &c.,

JNO. V. TILLET,

Crown Solicitor.

The Auditor-General.

COPY.—OPINION OF THE ATTORNEY-GENERAL.

Question of legality of the Comptroller-General of Prisons making appointments of Warders, &c., to Gaols, without the approval of the Governor.

THE Auditor-General asks for an opinion from me on the question submitted, whether warders, keepers, &c., of prisons, have been legally appointed under Regulation No. 80, approved by the Governor on the 19th October, 1904.

I am afraid the Auditor-General has been misled by a minute of mine, which was to the effect that this question, which he now submits for decision, can be finally settled by the Attorney-General only, and then when the point has been properly raised.

The method or legality of appointments of officers in the Public Service is quite distinct from the legality of payments made to persons who hold offices in the Public Service. By virtue of the Audit Act, No. 26 of 1902, section 15, the Auditor-General shall be entitled to lay before the Attorney-General a case in writing as to any question regarding the interpretation of the Constitution Act, or any other Act or regulations concerning the powers or duties of the Auditor-General, and the Attorney-General shall give a written opinion on such case.

It is clear from a consideration of this section that the right to an opinion with regard to the interpretation of any Act is limited to the consideration of what concerns the powers or duties of the Auditor-General. To take a concrete case: this high officer is entitled to legal advice on the question whether a payment proposed to be made a warder is authorised by Act of Parliament, but it is quite outside the responsibility of the Auditor-General to enquire whether such officer was in the first instance legally appointed to his position. If this duty were cast upon the Auditor-General, he would be under the obligation of enquiring into the legality of the appointment of every person in the Public Service whose claims for payment come before him or his officers, or even the validity of the appointment of those higher officers who claim to appoint subordinates. Whilst the point to which the Auditor-General has drawn attention can be enquired into, it is not a matter covered by the purview of the Audit Act in respect of which I am called upon to give an opinion.

C. G. WADE,

Attorney-General.

8th January, 1908.

Sir,

Department of Audit, 10th February, 1908.

In the performance of the powers and duties cast upon him by the Audit Act of 1902, the Auditor-General requests that the Attorney-General may be moved to consider the following matters, upon which the Auditor-General is in need of legal definition, and trusts that the same may be afforded.

Under Section 15 of the Act quoted it is enacted that—

“The Auditor-General shall be entitled to lay before the Attorney-General a case in writing as to any question regarding the interpretation of the Constitution Act or any other Act or Regulations concerning the powers and duties of the Auditor-General, and the Attorney-General, or Crown Solicitor, as the case may be, shall give a written opinion on such case.”

And in Section 45, as regards the powers and duties of the Auditor-General, it is provided that on receipt of the necessary documents, he shall examine the same, and among other things, shall:—

“Ascertain whether such moneys were *legally available for, and applicable to, the services or purposes to which the same have been applied or charged*; and ascertain whether the *provisions of the Constitution Act, this Act, or any other Act, and the Regulations have been in all respects complied with.*”

The interpretation hitherto placed by the Auditor-General on these enactments is,—that he is bound to enquire into and examine any transaction whereby the Consolidated Revenue Fund, or other Parliamentary appropriation is affected, whether by receipt or payment, and that this obligation extends to Wages or Salary payments, as well as to those for Stores or other materials; and to ascertain that the persons to whom such moneys were paid were those legally entitled to the same, and that such moneys were legally available for and applicable to such payments, and further to ascertain whether all provisions in Acts and Regulations therewith relating to payments, or to recipients thereof, had been complied with.

The construction of the questions submitted by the Auditor-General may not have been so clear as it should be, but it was held that defective appointments or appointments not in full compliance with Acts governing them, were indicative of the duty of the Auditor-General in regard to the same, and his desire was simply to ascertain whether he would be legally justified in passing the pay of keepers and under-keepers of prisons, &c., whose appointment had not received the approval of the Governor in terms of Section 10 of the Prisons Act No. 27 of 1899.

This therefore dictated the action taken previously.

The

APPENDIX Q—continued.

The Auditor-General therefore regrets the necessity which forces him to bring the case under notice again, and respectfully requests legal information thereon, which may perhaps be expressed as answers to the following questions, viz. :—

1. Does the enactment of section 15 of the Audit Act, No. 26, of 1902, convey an inference that the Auditor-General is seized with the responsibility of seeing that the terms of the Constitution Act, the Audit Act, or any other Act or Regulation thereunder (so far as the duties and power of the Auditor-General are concerned) are duly complied with, and if necessary, are to be advised on by the Attorney-General or Crown Solicitor?
2. Do the terms of section 45 of the Audit Act aforesaid, in reference to the powers and duties of the Auditor-General, stipulate that the Auditor-General shall ascertain that any payment made, shall be so made from some vote legally available for, and applicable to, the services for which the said payments had been made?
3. Can any appropriation be legally available for, or applicable to, any payment made to an employee who has not been appointed in terms of the latest, or of any Act affecting such appointment?
4. If not, is it not the duty of the Auditor-General to draw attention to the irregularity of the payment, and, if not rectified, surcharge the same in the manner prescribed by the Audit Act?
5. Does the authority of the Governor and Executive Council extend to the authorisation of regulations which are not in compliance with the Act of Parliament affecting the same?

I have, therefore, to request that you will kindly submit this paper for the Attorney-General's opinion on the points raised, which appear strictly relative to the powers and duties of the Auditor-General.

I have, &c.,

J. VERNON,

Auditor-General.

Sir,

Department of Audit, Sydney, 13th April, 1908.

I have the honor to remind you of my letter of 10th February last, asking you to be so good as to obtain the Attorney-General's opinion as to the legal definition of certain sections of the Audit Act, 1902, in reference to the powers and duties cast upon the Auditor-General by that Act, and to request that I may be informed, at your early convenience, whether the opinion required has yet been given.

I have, &c.,

J. VERNON,

Auditor-General.

The Crown Solicitor.

Sir,

Crown Solicitor's Office, Sydney, 14th April, 1908.

I have the honor to acknowledge receipt of your letter of the 13th instant, respecting certain questions raised by you relative to your powers and duties under the Audit Act, 1902, and to state in reply thereto that the opinion of the Attorney-General thereon has not yet been received.

I have, &c.,

JNO. V. TILLET,

Crown Solicitor.

The Auditor-General.

The opinion asked for has not, as yet, reached the Auditor-General.—12th August, 1908.

CASE II.

Attested Statements of Receipts, Sydney Mint.

Sir,

Department of Audit, 1st November, 1907.

I have the honor to state that the Deputy-Master of the Sydney Mint is required, under section 5 of the Sydney Mint Act, 1902, to pay into the Consolidated Revenue Fund the Mint charges or collections.

Section 22 of the Audit Act prescribes that—

“Any person who, by any law, regulation, or appointment, is charged with the duty of collecting or receiving . . . is declared to be an Accounting Officer,”

and section 27, subsection (b) (same Act), prescribes, *inter alia*, that Accounting Officers shall—

“Transmit . . . to the Auditor-General a return, in the form of the Second Schedule, with such particulars as may be required by the Auditor-General, of all such moneys collected . . . and shall make and subscribe a statutory declaration of the truth of such return.”

Will you, therefore, be so good as to favour me with your opinion as to whether section 5 of the Sydney Mint Act, 1902, requires the Deputy-Master of the Sydney Mint to follow the course prescribed in the aforementioned sections of the Audit Act?

I attach, for your information, the credit voucher of the Mint collections for last September.

I have, &c.,

J. VERNON,

Auditor-General.

The Crown Solicitor.

Sir,

Crown Solicitor's Office, Sydney, 6th November, 1907.

I have the honor to acknowledge receipt of your letter of the 1st instant, and in reply thereto to advise that section 5 of the “Sydney Mint Act, 1902,” does not require the Deputy-Master of the Sydney Mint to follow the course prescribed in sections 22 and 27 (b) of the “Audit Act, 1902.”

I return herewith the credit voucher of the Mint collections for last September.

I have, &c.,

JNO. V. TILLET,

Crown Solicitor.

The Auditor-General.

CASE

APPENDIX Q—continued.

CASE III.

Sir,

Department of Audit, Sydney, 8th May, 1908.

I have the honor to ask for an opinion in connection with certain prosecutions under the Local Government Act, No. 56, 1906, Ordinance 452, and Municipal By-laws, which took place at the Court of Petty Sessions, Newtown, particulars of which are as follow, viz. :—

Offence.—Cattle Straying.—Municipality of Rockdale.

17th February, 1908.—T. Ryan, fined 20s., Act 56, 1906, Ordinance 452, appropriated to Council.

17th February, 1908.—J. J. Murphy, fined 10s., Municipal By-laws, appropriated to Council.

1. Ordinance 452 not being applicable to municipalities which come under the operation of the Metropolitan Traffic Act, and the said Act extending to Rockdale and not providing for said offence, was not the information bad?
2. The said Ordinance having been gazetted at the date of these prosecutions, was not the Municipal By-law superseded thereby?
3. The said Ordinance being restricted to Municipalities outside the limits of the Metropolitan Traffic Act, should not the prosecutions have taken place under the Police Offences Act, No. 5, 1901, section 80, the appropriation of which is half to the informer and half to revenue?
4. If the opinion given in respect to the foregoing questions, Nos. 1, 2, and 3, is in the affirmative, can a recovery to the Consolidated Revenue Fund be made of the half fines in all prosecutions that have taken place under Ordinance 452 and the Municipal By-law within the limits of the Metropolitan Traffic Act since the date of gazettal of the said Ordinance?

It might be mentioned that Ordinance No. 914 provides for the offence of depasturing animals in a public place.

I shall esteem it a favour if you will kindly regard this as an urgent matter.

I have, &c.,

J. VERNON,

Auditor-General.

The Crown Solicitor.

Rockdale Municipality.—Cattle Straying.

Sir,

Crown Solicitor's Office, Sydney, 12th May, 1908

In reply to the questions submitted by your letter of the 8th instant, I have the honor to advise as follows :—

1. The information should not have been laid under Ordinance 452, as that Ordinance has no application to the Municipality of Rockdale.
2. The said Ordinance having no application to this Municipality, the Municipal By-law was not superseded thereby.
3. No; for the reason indicated by Answer 2, the proceedings were correctly taken under the Municipal By-law.
4. Answered by 2 and 3.

Papers herewith.

I have, &c.,

JNO. V. TILLET,

Crown Solicitor.

The Auditor-General.

Re Case V in Auditor-General's Report on Accounts 1906-7.—Contracts for Supply of School Requisites

The Auditor-General deems it only right and fair to append the further correspondence which took place between the Under Secretary of Public Instruction and Auditor-General on the above subject, since the latter's Report on Accounts of 1906-7 was presented to Parliament.

Sir,

Department of Public Instruction, Sydney, 9th November, 1907.

Appendix M to your Thirty-seventh Report and Statement of Public Accounts for the year ended 30th June, 1907, dealing with cases submitted by you to the Crown Solicitor, and opinions obtained thereon, contains Case V, "Contracts for the Supply of School Requisites," to which I wish to draw your attention.

Incidental to the general question as to payment for packing and transmission of school requisites, it is stated in the Crown Solicitor's letter of 16th February last that—

"The item, 12s., for conveyance of a 10s. globe (8 in. diameter) from Clarence-street to the school in Burke Ward, Sydney, is so absurd that I do not wonder the invoice bears the warning 'Teachers are not to write remarks on this form.'"

As you are aware, that matter was the subject of correspondence between this and the Audit Department as well as the Crown Solicitor. My letter to you of 22nd February contains the following paragraph :—

"With regard to the Crown Solicitor's remarks respecting the cost of conveyance of a 'globe' from Clarence-street to 'Burke Ward,' I have to inform you that the place in question is Burke Ward, Broken Hill, and not Burke Ward, Sydney, which, of course, disposes of the strictures *re* the charges made for conveyance."

It

APPENDIX Q—continued.

It is presumed that my request that the Crown Solicitor might be informed accordingly was complied with. However, on 3rd April I wrote to the Crown Solicitor as follows:—

“This adverse comment appears to have been due to some misapprehension. The Burke Ward referred to is in Broken Hill and not in Sydney. I may further point out that the warning ‘Teachers are not to write remarks on this form,’ has no reference to charges such as are quoted, but is an instruction from this Department, not from the contractors, and was made necessary by the fact that teachers formerly made the requisitions and invoices the vehicle of preferring requests of various kinds not provided for in the requisitions.”

Thereupon the Crown Solicitor stated that—

“The misapprehension was caused by a wrong docket or label being attached to the invoice. It was described as ‘Metropolitan’ by one of your officers *or by someone in the Audit Office*. I presume the label is still attached, and so I wonder that the fact has not been mentioned.”

In my reply to the Crown Solicitor on 16th April, I informed him that—

“The label mentioned as being attached to the invoice for the supply of the terrestrial globe in question was not appended thereto by any officer of this Department, and is not now with the voucher, having been presumably detached before its return to this office.”

This was noted and returned by him, with the following statement:—

“The label must have been attached, and detached, in the Auditor-General’s Office.”

This Department was not in the slightest degree responsible for the misapprehension on the part of the Crown Solicitor, which led to his adverse comment; in fact, it appears to have been caused by a mistake made in the Audit Office.

Owing to the omission of certain parts of the correspondence from the Appendix to your report, the public is left to infer that the comment was warranted. It therefore seems to be a matter for regret that the publication of remarks which reflect adversely on the administration of this Department was not accompanied by the publication of the remainder of the correspondence, which would have shown clearly that those remarks were not justified by the actual circumstances of the case.

I would be glad if you would kindly take the matter into your consideration.

I have, &c.,
P. BOARD,
Under Secretary.

The Auditor-General.

Sir,

Department of Audit, 13th November, 1907.

In reference to your letter of 9th instant, on the subject of conveyance of a “globe” to Burke Ward, I have the honor to state that a communication was received from your Department explaining that the Burke Ward referred to in the requisition applied to Burke Ward, Broken Hill, and *not to Burke Ward, Sydney*. This mistake in the first instance, however, was due to the requisition being imperfectly filled in by your Department, no reference whatever being made on the paper to Broken Hill; nevertheless, I have to express regret that the subsequent correspondence was not attached to the statement given in Appendix M, Case V, of my Annual Report for 1906-7.

I should state that it is not usual to insert all the correspondence connected with the Crown law opinions obtained in the Appendix, but in the selection of the correspondence for publication your explanatory letter should certainly have been published.

I have, &c.,
J. VERNON,
Auditor-General.

The Under Secretary, Department of Public Instruction.

APPENDIX R.

Public Accounts Committee.

Report and
Appendices.

Sir,
The Treasury, New South Wales, Sydney, 8 July, 1908.
With reference to your letter of the 6th instant, I have the honor to hand you herewith the Report of the Public Accounts Committee on the only matter that was submitted to them during the year 1907-8, in order that the same may be appended to your Report on the Public Accounts for that year on presentation to the Speaker.
I have, &c.,
F. C. G. TREMLETT,
Secretary.
The Auditor-General.

1907.

EXTRACT FROM THE VOTES AND PROCEEDINGS OF THE LEGISLATIVE ASSEMBLY.

Votes No. 11. Thursday, 31 October, 1907.

9. PUBLIC ACCOUNTS COMMITTEE:—The Order of the Day having been read,—Mr. Speaker, pursuant to the provisions of section 16 of the Audit Act, 1902, put the following Questions, without Debate, for the election and appointment of the Members of the Public Accounts Committee:—
- (1.) Question,—That Mr. John Henry Cann be appointed a Member of the Public Accounts Committee,—put and passed.
 - (2.) Question,—That Mr. David Fell be appointed a Member of the Public Accounts Committee,—put and passed.
 - (3.) Question,—That Mr. William Arthur Holman be appointed a Member of the Public Accounts Committee,—put and negatived.
 - (4.) Question,—That Mr. Mark Fairles Morton be appointed a Member of the Public Accounts Committee,—put and passed.
 - (5.) Question,—That Mr. David Storey be appointed a Member of the Public Accounts Committee,—put and passed.
 - (6.) Mr. Waddell then nominated Mr. Arthur Hill Griffith, in lieu of Mr. William Arthur Holman, and Question,—That Mr. Arthur Hill Griffith be appointed a Member of the Public Accounts Committee,—put and passed.

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1908.

First Report.

THE Public Accounts Committee, appointed by the Legislative Assembly on 31st October, 1907, under the provisions of section 16 of the "Audit Act, 1902," with power, *inter alia*, to:—

Inquire into and report to the Legislative Assembly upon all expenditure by a Minister of the Crown made without Parliamentary sanction or appropriation.

sat on 26th June, 1908, for the purpose of taking evidence in regard to the matter of unauthorised expenditure referred to them, and having examined the witnesses named in the list (whose evidence will be found appended hereto), have agreed to the following Report:—

Payments "Unauthorised in Suspense," to 30th June, 1907, to meet working expenses in connection with the railways and tramways during the year 1906-7, made in anticipation of the sanction of Parliament.

The Estimates-in-Chief for the year 1906-7 included items of £2,339,318 for payment of expenses in connection with the working of the railways, and £687,188 in connection with the tramways, making a total sum of £3,026,506. The actual expenditure under these headings exceeded the total estimate by £184,352 15s. 6d., and your Committee made investigations with a view to ascertaining whether—(1) there was an adequate explanation for any discrepancy existing between the amount appearing in the Estimates and the actual amount expended, and (2) the expenditure of the additional amount of £184,352 15s. 6d. was justifiable.

In the course of their inquiry your Committee examined the following witnesses:—Mr. Hall, Chief Accountant to the Chief Commissioner for Railways and Tramways; Mr. Holliman, Under Secretary for Finance and Trade; and Mr. Boyce, Comptroller of Accounts in the Treasury. In the first place your Committee desire to express regret that the matter under investigation was not referred to them earlier, instead of practically at the close of the next financial year (1907-8). They are aware that section 16 (5) of the Audit Act provides that "the Committee shall submit to the Legislative Assembly annually, appended to the annual report of the Auditor-General on the Public Accounts, a report on all matters submitted during the year for its "inquiry," but they regard it as undesirable that so long a period should be allowed to intervene between the making of unauthorised expenditure by a Minister of the Crown and the

the holding of an inquiry into the matter by the Committee. However, the General Elections took place soon after the close of the financial year 1906-7, as pointed out by the Under Secretary for Finance and Trade, and it can be easily understood that the matter was overlooked in the pressure of business.

As regards the question whether there was an adequate explanation for the discrepancy existing between the amount appearing in the Estimates and the actual amount expended, Mr. Hall pointed out that his Department's estimated expenditure for the year 1906-7 was based upon, and was a certain percentage of, the revenue they hoped to receive during that year. In fixing their estimate of revenue they had taken a conservative view, recognising that the previous few years had been abnormal ones and that they would hardly be justified in anticipating that the year 1906-7 would be one in which there would be more than an average increase in revenue. He also stated that it should be borne in mind that there might be a great falling off in any branch of their traffic, as for instance there was in the wool and wheat traffic during the year 1907-8, and that this would tend to decrease their revenue. As a matter of fact, the branch in which there was the greatest increase was the passenger traffic, and yet there might have been a slump in this. Your Committee, under the circumstances, agree that it is a very difficult matter to estimate the revenue with any great degree of accuracy, and they also agree with Mr. Hall that, in order to deal with the increased traffic, and earn the increased revenue, more money must be spent, provided, of course, that the increase is sufficiently great to warrant the additional expenditure.

This brings your Committee to the second question, viz., whether the expenditure of the additional amount of £184,352 15s. 6d. was justifiable; that is to say, whether it was in due proportion to the difference between the actual revenue and the estimated revenue for the year, viz., £457,538. To form a definite opinion on this point it would be necessary for your Committee to have before them an analysis of the additional expenditure; that is to say, they would require to know how much of it was for—(a) maintenance of way, works, and buildings; (b) locomotive power; (c) carriages and waggons—repairs and renewals; (d) traffic expenses; (e) compensation; and (f) general charges. This analysis could not be procured, but Mr. Hall handed in an abstract of the working expenses for the years ended 30th June, 1907 and 1906, in connection with the railways, and this shows what was the increased expenditure under each of those heads in the year 1906-7, as compared with the year 1905-6. This abstract is Appendix IV to the Report of the Chief Railway Commissioner for the year ended 30th June, 1907, and Appendices XXII, XXIII, and XXIV give similar information in regard to the Tramways. After perusing these abstracts, your Committee is of opinion that the expenditure was justifiable.

The Treasury, New South Wales,
Sydney, 8th July, 1908.

DAVID STOREY,
Chairman.

PROCEEDINGS OF THE COMMITTEE.

Friday, 26th June, 1908.

Members present:—

Mr. D. Storey,
Mr. J. H. Cann,

Mr. A. H. Griffith,
Mr. D. Fell.

The Committee met in one of the rooms at the Treasury.

On the motion of Mr. Griffith, seconded by Mr. Fell, Mr. Storey was elected Chairman.

Thomas Hall (Chief Accountant to the Chief Commissioner for Railways) called in, sworn, and examined.

Witness withdrew.

John William Holliman (Under Secretary for Finance and Trade) called in, sworn, and examined.

Witness withdrew.

Carlton Gabbett Livingstone Boyce (Comptroller of Accounts, the Treasury) called in, sworn, and examined.

Witness withdrew.

John William Holliman, recalled, and further examined.

Witness withdrew.

Reassembling of the Committee to be arranged by the Chairman.

Wednesday, 8th July, 1908.

Members present:—

Mr. D. Fell,

Mr. M. F. Morton.

Mr. D. Storey in the Chair.

The Committee met in one of the rooms at the Treasury.

The Chairman submitted Draft Report.

Same read and verbally amended.

Resolved (on motion of Mr. Fell, seconded by Mr. Morton), that the Report be adopted.
Chairman to report to the House.

(Adjourned *sine die*).

LIST OF WITNESSES.

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MINUTES OF EVIDENCE TAKEN BEFORE THE PUBLIC ACCOUNTS COMMITTEE.

Friday, 26th June, 1908.

Present:—

Mr. J. H. Cann,
Mr. A. H. Griffith,

Mr. D. Fell.

Mr. D. Storey in the Chair.

Thomas Hall, Chief Accountant to the Chief Commissioner for Railways and Tramways, sworn and examined:—

1. *Chairman.*] What is your name? Thomas Hall.
2. What position do you hold? Chief Accountant to the Chief Commissioner for Railways and Tramways.
3. Your position enables you to thoroughly understand all the sums expended in connection with the working of the Railways and Tramways;—can you give us any information, Mr. Hall, as to why this amount of £184,352 15s. 6d. referred to in these papers had to be expended? Yes. The amount originally voted by Parliament was £3,026,506. That was based upon a certain amount of traffic—that is to say, it was assumed that we should have to work a certain amount of traffic for that expenditure; but there was such a large expansion during that year, as shown by the fact that we received £457,538 more revenue than we estimated we should receive, that the amount appropriated by Parliament was not sufficient to meet the services for the year. We had to ask the Treasury to supply the money, because the men had to be paid and the machinery had to be kept going.
4. Was any portion of that money used in connection with the extension of lines, *e.g.*, tramways? No. It was used purely for wages and material. It was required for working the traffic.
5. In all cases the money was found from revenue and not from loans? Yes.
6. *Mr. Griffith.*] How does the ratio of the increased expenditure to the increased takings compare with the cost of your earnings usually? It is very much in our favour. The percentage of working expenses to earnings is 53·08 for the Railways, and 80·11 for Tramways, but the expenditure of £184,352 15s. 6d. is only 40·30 per cent. of the increased revenue which amounted to £457,538. Our estimated expenditure, Railways and Tramways, for the year 1906-7 was 58·47 per cent. of the estimated revenue. Our actual revenue showed an increase of 10·11 per cent. compared with that for the year 1905-6, whereas the expenditure for 1906-7 was only 8·29 per cent. greater than that for the previous year. I consider that the additional expenditure required is not by any means out of proportion to the increased revenue, a larger number of men had to be employed, and the employees and appliances were considerably strained to meet such a large increase in traffic.
7. You pay overtime, do you not? Yes.
8. *Mr. Cann.*] But the men have to do about three times as much work when the traffic comes on them like that than they are called upon to do ordinarily? The staff are not called upon to do more work than is reasonably fair.
9. *Mr. Griffith.*] Are you in a position to give us an idea of how much of that £184,352 15s. 6d. was spent in wages, how much in additional fuel, &c.? We do not go into it in that way. Our wages generally amount to about two-thirds of the whole.
10. £120,000 would be wages? Yes.
11. *Chairman.*] Would that be increased wages? Yes.
12. *Mr. Griffith.*] You understand, Mr. Chairman, that the railway men have an arrangement under which their week's work consists of forty-eight hours, but whenever they work more than forty-eight hours in a week they are paid overtime at an increased rate. (To witness.) A fair proportion of that would have gone in overtime, I presume? There was not so very much overtime. A large number of extra men were put on. During that year we put a considerable number of extra men on; nearly 2,000.
13. *Chairman.*] Extra men? Yes, largely so, although we had to increase the permanent staff.
14. *Mr. Griffith.*] A good number must have been boys, because there was only £120,000 to pay? You see, in the year 1905-6 we paid away in the railways salaries amounting to £1,456,729, and in 1906-7 £1,563,816, so there is a considerable increase there.
15. *Mr. Fell.*] Can you tell us approximately to what extent wages were expended for temporary employees, and what extra payments were made to the permanent staff? I cannot give you the exact figures. I know we did not have any considerable amount of overtime, because we do not believe in it.
16. There were 2,000 extra men, and they got £120,000 altogether? They might not have been on all the year. We have to take these men on according to traffic requirements. On the 30th June we were employing that number of extra men.
17. *Mr. Griffith.*] It is a slack time, because neither wheat nor wool is coming in.
18. *Mr. Fell.*] You include everybody employed on the railways, men, women, &c.? Yes. This year they have increased very considerably.
19. Could you give us any idea of what proportion of the extra amount went to wages as against upkeep and repairs;—we presume that when the Commissioners made their estimates they provided for upkeep? If you have a certain amount of traffic it costs a certain amount of the earnings to work it.
20. I presume, when we get an estimate from the Commissioners that they have a certain stock and carry out a certain amount of business, they have allowed for the rational increase? We did allow for an increase, but the actual increase was far above our estimate.
21. In spite of the drought? Yes.
22. *Mr. Cann.*] It is like the income tax—that is, based on the amount for the previous year? In 1903-4 the earnings were £121,150 more than those of the previous year, those of 1904-5 £247,603 more than those of the previous year, those of 1905-6 £550,775 more than those of the previous year, those of 1906-7 £474,615 above those of 1905-6. In four years we had an increase of £1,394,513.
23. *Mr. Fell.*] Did you allow for that in the 1907-8 estimates? Not in the same ratio. Those are record increases, and you have to be guided by what the traffic is likely to be in the coming year. You cannot always assume that you are going to have an increase beyond that of the previous year.

24. Evidently you want to do it? We provided for £50,000 increase, and we thought as we had been increasing at a considerable rate in previous years, and last year was a record one, it would be better to adopt a conservative policy and estimate the increase at £50,000.
25. It means that if the increase is £55,000 you are working up to what might be called "concert pitch"? It would be unwise to ask for more money than we want. The method of procedure is this: We work upon a certain percentage of the traffic we expect. If the traffic exceeds what we have estimated we expect to get the money from the Treasury.
27. But supposing a great proportion of this traffic is from tramways? Not a very great portion is from tramways.
28. £64,324 out of £457,538 was from the tramways. Is it not possible for the tram guards to exert themselves and collect more fares than in a slack time? Possibly.
29. *Mr. Fell.*] The ratio is very high as regards the increase. I think that the repairs and maintenance should be taken separately for the purpose of analysis, and the tramways kept distinct from the railways? The tramways are quite distinct. The percentage of tramway working expenses to revenue is much greater than in the case of the railways. The average for the railways is about 55 per cent. Last year the percentage in the case of the tramways was 84·7. Of course it is always assumed that if you earn more you spend more, and the percentage of working expenses to earnings is a fair criterion.
30. What is the proportion of the increase to the amount you estimated would be expended in working the traffic? We estimated the expenditure at £3,026,506—railways £2,339,318, and tramways £687,188.
31. The increase is about 12½ per cent.? We estimated the revenue at £4,330,000 for railways and £846,000 for tramways, and we thought we had made a very careful estimate.
32. Revenue £5,176,000—about 8 per cent.? You cannot possibly make allowances for the large increases we have been having lately; they have been abnormal.
33. *Mr. Griffith.*] That would depend upon the cause. If the increase arises from closer settlement—the production of more stuff that you carry—or from a larger mineral output, you can fairly estimate it, can you not? No, because the slightest friction in any particular branch of the trade will upset all calculations. Suppose we estimate a certain yield of wheat during a good year. The prospects may be very good when we make the estimate. We think we are going to have a booming year, but in a week's time all that may be upset. For instance, we have lost this year a good deal on wheat. We took a conservative view. The same thing may be said of wool. We expected an increase in wool, but there is a decrease, and one of the largest increases is in the passenger traffic.
34. *Mr. Fell.*] Would not all those decreases militate against the expenditure? So they did, but in other traffics that showed increases we did not expect such large increases.
35. *Mr. Griffith.*] You estimate a certain revenue which is not received, but that does not explain the increased revenue? Well, now, take the passengers. We got £155,982 increased earnings in that year from the railway passenger traffic alone.
36. That could have been foreseen? No, it could not.
37. *Mr. Fell.*] Where does the extra cost come in? The demand for increased services must be met.
38. *Mr. Cann.*] There are more trains? The expenses must naturally increase. Take the Milson's Point line, for instance. They have been given increased services, but they are agitating for more, and there is no doubt that to do justice to the line they will have to get more. It is the same on the suburban lines here: the trains are overcrowded. You must relieve the pressure. You come to a time when you have to divide the trains, and you then have to incur increased expenditure.
39. As a matter of fact, you ran more train miles than in the previous year? Considerably. We ran 12,919,068 train miles as compared with 11,863,682 in the previous year.
40. *Mr. Fell.*] What was the cost per train mile? About 3s. 10¼d.
41. *Mr. Griffith.*] A million more train miles at that rate would give you about £200,000 increase? The excess in train miles alone would account for £200,000, but the cost was 3s. 10¼d. in the previous year.
42. *Mr. Cann.*] But you are dealing with the revenue in one instance and the cost in the other.
43. *Witness.*] Mr. Griffith is quite right in his estimate of the cost in 1907, but the working cost per mile was less than in the previous year. It would represent a certain amount over and above what we got. It depends upon the cost.
44. *Mr. Fell.*] That would exceed the whole amount? Yes.
45. *Mr. Griffith.*] When you get up to high figures the proportion is not maintained. You may be able to get more people into a train. If you carry a thousand people to a place in one year, and two thousand to the same place the next year, it does not cost you twice as much.
46. *Witness.*] There are several things which have to be taken into consideration in arriving at an estimate. They are all taken into consideration as far as they possibly can be, but even when this has been done there is a great deal which you cannot foresee. A slight hitch in the coal trade at Newcastle would probably decrease our earnings there to a considerable extent. It is the same with produce, grain, and other branches of the traffic. There may be a great slump in the passenger traffic.
47. *Mr. Griffith.*] What would cause that? At any moment the increase might not be more than 2 per cent., whereas it might go as high as 20 per cent. We can only fix what I call a conservative estimate, otherwise we should probably get more money voted than we wanted, and that would be foolish. It is better to be a little under than over.
48. *Mr. Cann.*] The expenditure for 1906-7 was £393,214 more than that for the previous year. That is a bigger sum than Mr. Griffith said it should be.
49. *Mr. Griffith.*] Yes.
50. *Mr. Fell.*] I think if we could get particulars as to the increased cost, taking into consideration the mileage, freight, maintenance, &c., it would assist us considerably.
51. *Witness.*] I do not clearly understand.
52. *Mr. Fell.*] I do not know what books are kept.
53. *Witness.*] I should like to understand the question thoroughly.
54. *Mr. Fell.*] You have in your accounts, I presume, analyses of the cost per train mileage (passengers)—the extra mileage in connection with this £184,352 15s. 6d. The same applies to the goods traffic.

55. *Mr. Griffith.*] You could not ask for that, because this amount of £184,352 15s. 6d. is not their total increase over the previous year. It is the excess over their estimated expenditure. You can get the items of the total increase on the previous year's expenditure, how much was for fuel, wages, &c.
56. *Mr. Fell.*] I am coming to that.
57. *Witness.*] I believe that what you want, Mr. Fell, will be given in the abstract of working expenditure. (*Appendix IV—Abstract of working expenses for the years ended 30th June, 1907, and 1906—to the Annual Report of the Chief Commissioner for Railways and Tramways for the year ended 30th June, 1907, was then handed as an appendix to the witness' evidence.*)
58. *Mr. Fell.*] That is what I wanted. I asked for it because I consider that the present railway staff should be able to work an increased traffic, provided that such increased traffic is not more than 10 per cent. or 15 per cent. of the whole. Any business firm can always do extra business up to that amount without increasing its staff.
59. *Mr. Griffith.*] If the trains are full you cannot put more into them.
60. *Mr. Fell.*] I know. I am talking about the aggregate, particularly as regards stock.
61. *Witness.*] Our total working expenses for the railways during the year 1906-7 were £2,499,471, as compared with £2,308,384 the previous year, being an increase of £191,357, and the explanation of that increase is given in the schedule handed in.
62. *Mr. Fell.*] I understand if we recommend this expenditure to Parliament it is passed without any criticism from Parliament? I assume that.
63. *Mr. Cann.*] Are we not more concerned with what the Treasurer should have done than with the working of the railways. The Treasurer should have taken this into consideration as from the Treasurer's point of view. It is his duty to furnish us with the facts that we are asking Mr. Hall to give.
64. *Chairman.*] We are not concerned with how the railways are worked.
65. *Mr. Fell.*] I understand we have only got to say that the money has been expended and well expended. If the expenditure is passed by the Committee, it will be passed by Parliament without any quibble. Parliament would not go into the details such as we have before us.
66. *Mr. Cann.*] You could ask Mr. Waddell for the explanation for which you are asking Mr. Hall now. It is nothing to do with us now.
67. *Mr. Fell.*] You cannot tell that until you get the particulars. We are appointed for serious business. We have to give an opinion that it is properly expended. As far as I can gather, it was properly expended.
68. *Mr. Cann.*] Surely you do not want to know what was paid for various things, engines, &c.
69. *Mr. Fell.*] Certainly not. There are certain items, wages, salaries, &c.
70. *Mr. Cann.*] Taking it generally. As the railways earned more revenue than in the previous year, obviously more money had to be expended.
71. *Mr. Fell.*] Yes; but to my mind the extra amount they have paid is too great, being over 41 per cent. of the earnings.
72. *Mr. Cann.*] The normal expenditure on the railways is over 53 per cent. of the revenue.
73. *Chairman.*] What were the net earnings on the railways in 1906-7, as compared with 1905-6? The net earnings for 1906-7, after paying working expenses, were £2,209,665, as against £1,926,407 in 1905-6. After meeting interest and working expenses there was a surplus of £610,955 on the railways last year, as compared with £384,980 the previous year.
74. *Chairman.*] What will it be for the present year? I could not very well say, but it will not be very different from that of last year. It was absolutely necessary that the extra money expended should be forthcoming to carry on the railways.
75. *Mr. Griffith.*] Mr. Fell is right when he says we should report whether we think that the expenditure was fair in proportion to the increased earnings. Section 16 (b) says that the Committee shall "inquire into and report to the Legislative Assembly upon all expenditure by a Minister of the Crown made without Parliamentary sanction or appropriation." If we consider that this expenditure was in excess of what it should have been we should report to that effect.
76. *Mr. Fell.*] We have to give an intelligent opinion. For instance, I want to know whether the upkeep and repair of the railways, which affect the lives of the people, is costing us a fair percentage of this increase, or whether things are getting into such a condition that it will cost more and more year after year to effect the necessary repairs, &c.
77. *Mr. Cann.*] You could not expect them to keep an extra abstract of that £184,000 odd.
78. *Mr. Griffith.*] It is for us to consider whether that extra expenditure was the result of mismanagement or miscalculation. We cannot say that Mr. Fell should not ask the question.
79. *Witness.*] It will at least be clear to you that if we earn £474,615 (railways), we are justified in spending £191,367 to do so. That was our total increase on the railways for 1906-7, as compared with the previous year. I think that is very good business.
80. *Mr. Fell.*] That is what I want to find out.
81. *Chairman.*] Mr. Hall, during the currency of the year, say when six months have expired, you would be aware that your expenditure for the year was going to be greater than the amount passed by Parliament? I do not think we would know in six months.
82. In nine months; would it not be possible for the Railway Commissioners to apply to Parliament for this additional money when it was required? We might have to do it twice, unless we asked for more than we needed.
83. *Mr. Fell.*] Is not that a different point altogether? When the estimates for 1907-8 were being prepared it was known that there was this sum of £184,352 15s. 6d. to be made up.
[Witness then withdrew.]

John William Holliman, Under Secretary for Finance and Trade, sworn, and examined:—

84. *Chairman.*] What is your name? John William Holliman.
85. And your position? Under Secretary for Finance and Trade.

86. We want to know whether this sum of £184,352 15s. 6d., expended during the year 1906-7, was included in the Treasurer's Statement of Expenditure up to 30th June last? Yes; it is included in the statement, "The Treasurer in Account with the Consolidated Revenue Fund," page 3 of the Auditor-General's Report for the year ended 30th June, 1907.

87. The Auditor-General's Report has been before Parliament? Yes.

88. *Mr. Fell.*] The point is why this amount was not appropriated in connection with the passing of the Estimates for 1907-8? Although the Estimates did not come on till September of last year, I think they were prepared some time before that.

89. *Mr. Griffith.*] There were Additional Estimates, and that amount could easily have been included among them;—how is it that Parliament was not asked before this to indemnify the Treasurer? The Comptroller of Accounts, in whose Branch the Estimates are prepared, will probably be able to answer that question.

[Witness withdrew.]

Carlton Gabbett Livingstone Boyce, Comptroller of Accounts, the Treasury, sworn, and examined:—

90. *Chairman.*] What is your name? Carlton G. L. Boyce.

91. And your position? Comptroller of Accounts.

92. We wish to ask you, with reference to this sum of £184,352 15s. 6d. which the Treasurer paid for carrying on the work of the Railway Department, why it was not placed in the last Appropriation Bill, or why a special Act was not sought last year to indemnify the Treasurer? Because the Public Accounts Committee had not considered the expenditure. The expenditure took place in the month of June, 1907. It was just before the commencement of the present financial year. The matter could not go before Parliament until the Committee had considered it.

93. Could not the Committee have been called together then for the purpose? The Estimates were in course of preparation. They are started in July, and continue up till September. I suppose that is why it was not done.

94. There is another point. Was this sum included in the balance arrived at on the 30th June last? Oh, yes. The Audit Act provides that we must show it. It is also shown on page 30 of the Auditor-General's Report in detail.

95. The accounts as at 30th June last included that expenditure? Yes.

96. *Mr. Fell.*] The question is one of want of legal appropriation? As a matter of fact we exhibited to the House and the public that we had expended that amount.

97. The only point is that it might have been put before us at the time? Yes, it might have been.

98. *Mr. Griffith.*] So far as you know, the only reason why we were not called together to investigate this item to permit Parliament to indemnify it last year when it arose was that the Treasury was too busy? I know no other reason. It is a time of great stress, as you are aware.

99. How would it interfere with the working of the Treasury if we were to come and sit in this room and investigate the accounts;—supposing the Treasury were busy, how would it retard the operations of the Department if we were to come and sit here? It would not retard us at all.

100. How would the fact of the Treasury being busy be an excuse? Of course, you understand I am not in a position to say what was the cause of the delay—it might have been an oversight or it might have been that we had not time to think about it. It is purely a matter for the Minister.

101. *Mr. Fell.*] The Committee came in last year, and there was no Committee available at that time.

102. *Mr. Griffith.*] The House sat from August to December. At any time in that Session the Treasurer could have called us together to get Parliament to give its indemnity. We were appointed immediately at the beginning of the Session. Mr. Holliman is the executive officer, and he may be able to tell us why we were not called together earlier.

[Witness withdrew.]

John William Holliman, recalled, and further examined:—

103. *Chairman.*] The Committee desire to have a reason why they were not called together, say in September, October, or November last, prior to the Appropriation Act being passed, so that it could have given Parliament an opportunity of dealing with this unauthorised expenditure earlier? If you remember, the general election took place in the early part of the present financial year, and Parliament met soon after. The Financial Statement was being prepared, and in the pressure of business the matter must have been overlooked. That is practically the explanation. I brought it under Mr. Waddell's notice after the close of the Session, and he thought it would be sufficiently early for the Committee to be called together in time to deal with it before the next Session commenced.

104. You see, the Committee think it undesirable to allow too long an interval of time to go by before unauthorised expenditure is ratified by Parliament? Yes.

105. *Mr. Fell.*] It was an oversight? Yes.

[Witness withdrew, and the meeting then closed.]

APPENDIX IV.

To REPORT OF CHIEF COMMISSIONER FOR RAILWAYS AND TRAMWAYS FOR THE YEAR ENDED 30TH JUNE, 1907.

Abstract of Working Expenses for the Years ended 30th June, 1907, and 1906.

[Appendix to Evidence of Thomas Hall.]

Particulars.	Year ended 30th June.	
	1907.	1906.
A.—Maintenance of Way, Works, and Buildings—	£	£
Salaries, office expenses, and general superintendence	38,007	35,840
Maintenance and renewals of permanent-way—Wages	267,191	257,723
Materials	121,907	113,405
Engine-power	8,305	9,689
Repairs and renewals of bridges, approach roads, jetties, signals, reservoirs, coal stages, and other works	70,844	79,635
Repairs and renewals of stations and other buildings	85,607	41,924
Sundry other charges	1,429	1,484
Average miles open { Quadruple	1907. 8½	1906. 8½
and maintained... { Double	195½	194
{ Single	3,248½	3,187½
Sidings	3,452¾	3,390
	467	457¾
B.—Locomotive Power—		
Salaries, office expenses, and general superintendence	16,237	15,147
Running expenses—Wages, &c., connected with the working of locomotives	411,418	372,197
Coal, coke, and wood	164,800	146,349
Water	36,995	33,371
Oil, tallow, and other stores	18,419	14,912
Repairs and renewals of locomotives—Wages	191,462	182,591
Materials	99,929	112,237
	£ 939,260	876,804
C.—Carriages and Waggons—Repairs and Renewals—		
Salaries, office expenses, and general superintendence	3,383	3,102
Coaching stock—Wages	42,889	44,217
Materials	16,360	17,049
Goods stock—Wages	79,617	66,102
Materials	45,932	44,957
Greasing and oiling—Wages	3,092	3,272
Materials	1,735	1,433
	£ 193,008	180,132
D.—Traffic expenses—		
Chief Traffic Manager, Superintendents, and office staff	31,425	29,649
Station-masters and station clerks	149,987	140,205
Pointsmen, signalmen, and gatekeepers	50,419	48,488
Guards, porters, and labourers	309,046	282,247
Stores	63,445	60,114
Advertising, printing, and stationery	21,238	18,690
Clothing	8,794	6,985
Sundry other charges	48,573	45,010
	£ 682,927	631,388
E.—Compensation—		
Personal	6,609	2,540
Goods and other property	3,370	2,305
	£ 9,979	4,845
F.—General Charges—		
Commissioners, Secretary, and office staff	9,827	9,384
Accountant's and traffic audit branches	24,466	22,772
Telegraph branch	19,473	18,694
Sundry other general charges	16,729	14,787
	£ 70,495	65,637
Gratuities to Widows and Children of Employees, and Payments to Staff Retired	9,092	8,188
Fire Insurance Fund	1,690	1,690
GRAND TOTAL	2,499,741	2,308,384

THOMAS HALL,
Chief Accountant.

APPENDIX XXII.

TO REPORT OF CHIEF COMMISSIONER FOR RAILWAYS AND TRAMWAYS FOR YEAR ENDED 30th JUNE, 1907.

Abstract of Working Expenses for the years ended 30th June, 1907 and 1906.

City and Suburban Electric Lines.

Particulars.	Year ended 30th June.	
	1907.	1906.
Maintenance of Way and Structures—	£	£
Proportion of salaries and expenses of engineer and staff	2,779	2,422
Repairs and renewals of permanent-way	106,937	86,029
„ „ electric-way appliances	11,638	9,947
„ „ buildings and improvements	3,451	1,435
	124,805	99,833
Maintenance of Plant—		
Proportion of salaries and expenses of engineers and staff	5,491	5,044
Repairs to power plant	23,818	12,273
„ and renewals of steam motors	19,619	11,286
„ „ cars	92,361	95,617
	141,289	124,220
Power Expenses—		
Proportion of salaries and expenses of engineers and staff	1,897	1,694
Wages of steam-motor drivers, firemen, cleaners, gripmen, &c.	398	894
Wages of power-house employees	20,717	20,814
Coal, coke, and wood	24,263	23,535
Water	2,094	2,552
Lubricants and waste	1,700	1,789
Tools and other supplies	2,079	2,866
	53,148	54,144
Less credits for power supplied for other services	11,145	9,811
	£ 42,003	44,333
Traffic Expenses—		
Proportion of salaries and expenses of Superintendent and staff.....	8,909	8,381
Inspectors, clerks, and timekeepers	22,490	21,513
Wages of conductors	99,006	94,014
„ motor-men (electric)	95,496	91,797
„ car-service employees	33,132	34,549
Stationery, tickets, uniforms, stores, &c.	22,149	19,761
Watering and sanding way	2,457	2,031
	283,639	272,046
Compensation—		
Personal injuries, including legal expenses	7,794	6,662
Damages to vehicles and other property, including legal expenses	789	415
	8,583	7,077
General Charges—		
Proportion of head office charges and sundries	*5,517	3,908
Gratuities to widows and children of employees who have met with accident, also gratuities to staff on retirement, and other charges	1,545	1,306
	7,062	5,214
Total	£ 607,381	552,723

* £1,794 of this is due to the Tramway Inquiry.

APPENDIX XXIII.

TO REPORT OF CHIEF COMMISSIONER FOR RAILWAYS AND TRAMWAYS FOR YEAR ENDED 30TH JUNE, 1907.
Abstract of Working Expenses for the years ended 30th June, 1907 and 1906.

North Shore Electric Lines.

Particulars.	Year ended 30th June.	
	1907.	1906.
Maintenance of Way and Structures—	£	£
Proportion of Salaries and Expenses of Engineer and Office Staff	129	194
Repairs and Renewals to Permanent-way	11,154	16,009
" Electrical Way Appliances	1,088	1,101
" Buildings and Improvements	175	133
£	12,546	17,437
Maintenance of Plant—		
Proportion of Salaries and Expenses of Electrical Engineer and Staff	179	152
Repairs to Power-plant	13,505	301
" Cars	5,147	4,451
£	18,831	4,904
Power Expenses—		
Proportion of Salaries and Expenses of Electrical Engineer and Staff	106	97
Power-house Wages	568	619
" Water	13	15
" Tools and Other Supplies	123	99
Power supplied from Power-house, Ultimo	4,108	4,339
£	4,918	5,169
Traffic Expenses—		
Proportion of Salaries and Expenses of Superintendent, Inspectors, Clerks, &c.	2,316	2,346
Wages of Conductors	5,804	5,639
" Motor-men	5,603	5,497
" Car-service Employees	2,531	2,421
Stationery, Tickets, Uniforms, &c.	1,869	1,496
£	18,123	17,399
General Charges—		
Proportion of Head Office Charges	195	204
Compensation of Passengers and Others, Damages, and Medical and Legal Charges...	193	117
£	388	321
	54,806	45,230

APPENDIX XXIV.

TO REPORT OF CHIEF COMMISSIONER FOR RAILWAYS AND TRAMWAYS FOR YEAR ENDED 30TH JUNE, 1907,
Newcastle—City and Suburban Lines.

Abstract of Working Expenses for the Years ended 30th June, 1907 and 1906.

Branches.	Year ended 30th June.	
	1907.	1906.
Permanent Way Branch—	£	£
Proportion of Salary and Expenses of Engineer and Office Staff	84	55
Maintenance of Lines, Sidings, Bridges, Buildings, &c.	3,658	4,861
£	3,742	4,916
Locomotive Branch—		
Proportion of Salary and Expenses of Superintendent, Foremen, and Clerks	1,384	1,363
Locomotive Drivers, Firemen, Cleaners, and others	9,566	11,549
Coal, Coke, Water, Oil, Tallow, Waste, &c.	3,743	3,487
Repairs and Renewals of Motors	5,715	4,957
£	20,408	21,356
Repairs and Renewals of Cars, &c.	2,084	1,535
Traffic Branch—		
Proportion of Salary and Expenses of Superintendent and Office Staff	1,269	1,173
Conductors, Staffmen, Pointsmen, Car-cleaners, &c.	8,072	7,395
Sundry charges, including Stores, &c.	1,464	1,440
£	10,805	10,008
Compensation—		
Personal injuries, including legal expenses	165	25
General Charges—		
Proportion of Head Office charges	216	210
TOTAL	£ 37,420	38,050

Sir,

The Treasury, New South Wales, Sydney, 27th August, 1908.

I have the honor to hand you, herewith, the Second Report of the Public Accounts Committee, regarding a matter of unauthorised expenditure in connection with the Railways and Tramways during the year 1907-8, which was submitted to the Committee by the Colonial Treasurer.

The Report will presumably accompany your Report on the Finances for the year 1908-9.

I have, &c.,

F. C. G. TREMLETT,

Secretary.

The Auditor-General.

Second Report.

THE Public Accounts Committee, appointed by the Legislative Assembly on 31st October, 1907, under the provisions of section 16 of the Audit Act, 1902, with power *inter alia* to:—

Inquire into and report to the Legislative Assembly upon all expenditure by a Minister of the Crown made without Parliamentary sanction or appropriation,

sat on 6th August, 1908, for the purpose of taking evidence in regard to the matter of unauthorised expenditure referred to them, and, having examined the Chief Accountant to the Chief Commissioner for Railways and Tramways, have agreed to the following report:—

Payments "Unauthorised in Suspense" to 30th June, 1908, made in anticipation of the sanction of Parliament, in connection with the Railways £154,873 2s. 10d., and in connection with the Tramways £24,672 9s. 6d.—total £179,545 12s. 4d.

The Estimates-in-Chief for the year 1907-8 included an item of £3,318,359, Railways and Tramways, Existing Lines—Working Expenses. The actual expenditure under this head exceeded the estimate by £179,545 12s. 4d., and your Committee made inquiries with a view to ascertaining whether there was an adequate explanation for the discrepancy existing between the amount appearing in the Estimates and the amount expended.

Mr. Hall in his evidence pointed out that the estimated expenditure for the year 1907-8 was a certain percentage of the estimated revenue. When making the estimate of revenue for the railways, it had to be borne in mind that greatly reduced rates and fares would operate during the year, and it was thought sufficient to allow for an increase of £50,000 over the previous year's receipts. The reductions referred to actually amounted to £174,000, and during the year further special concessions, to the extent of £40,000, were made in the rates for the carriage of stock owing to the drought. Notwithstanding this, the revenue from railways for 1907-8 exceeded that for 1906-7 by £234,728, and it will be apparent that there must have been a considerable increase in traffic, and that additional expenditure was required, to enable the Department to cope with such increase. The percentage of working expenses to earnings was 54.91 as compared with 53.08 per cent. for the previous year, but the increase is explained by the reductions and increased traffic mentioned.

In connection with the tramways an increase of revenue to the extent of £15,000 was anticipated. The actual additional revenue, however, was £103,293, which of course meant greater traffic and expenditure.

The Treasury, New South Wales,
Sydney, 13th August, 1908.

DAVID STOREY,
Chairman.

PROCEEDINGS OF THE COMMITTEE.

Thursday, 6th August, 1908.

Members present:—

Mr. M. F. Morton,

Mr. A. H. Griffith.

Mr. J. H. Cann,

Mr. D. Storey in the chair.

The Committee met in one of the rooms at the Treasury.

Thomas Hall, Chief Accountant to the Chief Commissioner for Railways and Tramways, called in, sworn, and examined.

Witness withdrew.

(Meeting adjourned till Thursday, 13th August, at 4 p.m.)

Thursday, 13th August, 1908.

Members present:—

Mr. M. F. Morton,

Mr. J. H. Cann.

Mr. D. Fell,

Mr. D. Storey in the chair.

The Committee met in No. 1 Committee-room, Parliament House.

The Chairman submitted the Draft Report, which was read and verbally amended.

Report adopted.

(Adjourned *sine die*).

MINUTES OF EVIDENCE TAKEN BEFORE THE PUBLIC ACCOUNTS COMMITTEE.

Thursday, 6th August, 1908.

Present :—

Mr. Arthur Griffith,
Mr. M. F. Morton,

Mr. J. H. Cann.

Mr. David Storey, in the chair.

Thomas Hall, Chief Accountant to the Chief Commissioner for Railways and Tramways, sworn, and examined :—

1. *Chairman.*] What is your name? Thomas Hall.
2. And your position? Chief Accountant to the Chief Commissioner for Railways and Tramways.
3. The Committee have had referred to them for report the expenditure of £179,545 12s. 4d., in addition to what was voted by Parliament for the railways and tramways for the year 1907-8. Can you give us any reason why this money was required? Our estimate was based on a certain amount of traffic for the year. We estimated that we should have an increased revenue of £50,000 from the railways, and £15,000 from the tramways, as compared with the previous year's revenue, and we reckoned our expenditure at a certain percentage of the revenue. We thought our estimate of increased revenue was a fair one, considering the very large reductions which had been made in rates and fares. About £174,000 had to be recovered before we could have any increase at all, and during the year further reductions were made to the extent of about £40,000 in connection with the carriage of starving stock.
4. What was the actual increase? £234,728 in connection with the railways.
5. What about the tramways? Our increase on the tramways was £95,504 instead of £15,000. The tramways for the first time brought us in over a million of money, and that is larger than the railways earn on passenger traffic in some of the other States. We have had continuous records during the past five years.
6. Can you tell us what were the net profits on the railways and tramways during last year? You will find that on page 1 of the Report of the Chief Commissioner for the year ended 30th June, 1908 (handing a copy to each member of the Committee present). The net profit on the railways was £2,229,295, and on the tramways £202,229—a total of £2,432,224, that is, after paying working expenses.
7. How does last compare with the previous year? In connection with the railways £4,944,134 as against £4,709,406—an increase of £234,728.
8. What were the net earnings for the year 1907-8, that is, after paying working expenses and allowing for interest on capital invested? Railways £579,931, and Tramways £68,425.
9. *Mr. Morton.*] There was a slight reduction on the railways as compared with 1906-7—from £610,955 to £579,931? Yes; but we made such large reductions in rates and fares. On page 9 of the Report you will find that we carried last year, in stock alone, 132 million miles as compared with 66 million miles in the previous year, and we only charged about half rates in the case of starving stock. It is a remarkable thing that, after making such large reductions in rates and fares and carrying starving stock at such low rates, and suffering a loss of £141,261 in revenue—and in tonnage 268,000 tons—in connection with the grain and flour traffic, we had such excellent results.
10. *Mr. Griffith.*] The earnings in connection with the carriage of stock last year were .98 of a penny per ton per mile;—were they ever so low before? No.
11. *Chairman.*] I notice on page 3 that it mentions that the percentage of working expenses to earnings last year was 54.91 per cent. as compared with 53.08 per cent. the previous year. Do you account for that by the lowering of rates and fares and the further reductions in connection with the carriage of stock during the drought? Yes. If the reductions had not been made the percentage would have been about 52 instead of 54.91 per cent.
12. Was the total sum of £179,545 12s. 4d., regarding which the Committee is making inquiry, paid away during the month of June? Yes. The sum provided was exhausted and we had to get a further supply.
13. *Mr. Morton.*] You did not ask for sufficient? No, but we thought we had asked for sufficient for the traffic estimated.
14. *Mr. Griffith.*] Can you give us the items composing that sum;—some was for construction, I suppose? None was used for construction work.
15. For deviations, &c.? No. On page 21 of the Report there is an abstract of the working expenses for the years ended 30th June, 1908, and 1907, and this gives full information as to how the money was spent.
16. Of the £214,000, which you practically gave away, £170,000 represented reduced rates and fares and £40,000 further reductions in connection with the carriage of starving stock;—this loss was unexpected, was it not? The £40,000 was unexpected, but we anticipated the loss of £170,000 and had provided for it to a certain extent. We did not, however, think we should have an increase of £234,000 odd in the revenue, as compared with the previous year, after making up the anticipated loss.
17. You expected to come out about level with last year? Yes.
18. You are a quarter of a million better off than you expected to be? Yes; of course, we had to spend a good deal.
19. *Chairman.*] I suppose the number of employees increased? Yes. You will see it stated on page 15 that we employed 3,456 additional hands, and we gave away £99,000 full classification and merit advances, of which amount £83,250 was given to the wage-earning staff. The working time of the station officers was also reduced to six days per week.
20. *Mr. Morton.*] Are all these additional hands permanent? Not all of them. We do not think it wise to make all appointments permanent. In the slack time the additional hands would be the first to be dispensed with.
21. *Chairman.*] I suppose you would say that the necessity for the increased expenditure arose through the increase in the passenger and goods traffic? Yes. The increase was more than we thought it would be.
22. Under those circumstances, do you not think you ought to be more liberal in your calculations? No. Although I am not a pessimist, I feel quite certain that our recent records will not continue year after year. So long as there is an increase in population and settlement no doubt our traffic will increase, but we

- we cannot keep going at the pace we have been going during recent years. There is certain to be a set back in one direction or another. Last year, for instance, we lost £141,261 on the carriage of grain and flour. That represents grain and flour which we did not carry. We did not anticipate that loss. Then, again, we had a slight reduction in the takings on wool. Our estimate was made on the most reliable data we could get, but, after all, it was only an estimate, and there are many things to upset a calculation of that kind.
23. *Mr. Griffith.*] The £40,000 you lost on the carriage of stock was the amount up to the 30th June, but you have lost since that? Yes. We are still carrying the stock back at 25 per cent. of the usual rate.
24. *Mr. Morton.*] Do you consider you have lost money throughout the whole year on the carriage of stock? Yes.
25. I mean on the whole of the stock? Yes. The earnings per ton per mile were about .98 of a penny. As a rule we have to carry the wagons empty to the places where the stock is and do not get a penny for it.
26. You might carry 10,000 sheep to a given place and bring back fat stock in the wagons? That might happen occasionally, but as a rule we have to bring the wagons back empty.
27. You might take poor stock from Gundagai to Coonamble and bring fat stock from the latter place to Homebush? That might happen once in three times, or a little oftener. The earnings per ton per mile were only .98 of a penny, as compared with 1.67 last year, as shown on page 9 of the report. There is no doubt that a great deal of money has been practically given away to preserve the stock.
28. *Mr. Griffith.*] Is it a profitable industry to carry stock at normal rates? I think it pays if we carry at the full rates.
29. *Mr. Cann.*] The real matter of this inquiry is the difference between your actual expenditure and the amount voted by Parliament. Is there any cutting-down process? No. The Treasurer invariably accepts our estimates. As a matter of fact I prepare the estimates, and I am not aware of any cutting-down at all. There may be discussion, but there is no desire to cut down. The estimates are considered fair, and are accepted as such.
30. A Treasurer's incentive is to make a surplus, and he lops off where he can? I do not think it is so in connection with our estimates.
31. *Mr. Cann.*] It is as plain as daylight that if you get extra traffic you must spend more money to carry that traffic.
32. *Mr. Morton.*] If you asked for £100,000 more for 1908-9 you would get it? I think so.
33. But if you got bigger votes than you wanted, that would not alter the matter? No. We should not spend it. We do not ask for more than we think we shall need.
34. *Mr. Griffith.*] We blame Departments for asking for more than they want.
35. *Mr. Cann.*] It cuts the other way too. We are responsible for their getting what they want, and if they do not ask for what they really want it makes the Treasurer's estimates inflated.
36. *Chairman.*] I see the tramways have considerably assisted you? The surplus increased from £48,000 to £68,000.
37. *Mr. Cann.*] But that does not show in this balance. What we are inquiring about is the expenditure over and above what was appropriated. The very fact of increased revenue from the railways and tramways does not affect the matter. The extra revenue is only taken as evidence that the extra expenditure was justifiable.
38. *Witness.*] It would not help the Treasurer in any way.
39. *Mr. Morton.*] Have you ever been in any other position than the present one, that is, having to ask for additional funds? Oh yes; sometimes we have not spent all the money voted. That was before these record increases took place, when the traffic did not come up to our estimate. It would be six or seven years ago. The traffic exceeded our estimates last year, and we hope it will this year.
40. How many sheep and cattle wagons have you on order? There are now building about 500—300 cattle and 200 sheep.
41. Have there been a large number built and put into use? About 200 during the last fifteen months.
42. Is it considered that these will be sufficient to meet requirements? Yes. If we do not carry the starving stock we shall use the wagons for carrying fat stock. It is a question whether we shall have to carry so much starving stock in future. I hope we shall not have to do that.

(Witness withdrew.)