

VI.—PUBLIC FINANCE.

The accounts of the Territory for the year ended 31st March, 1936, show a surplus of receipts over expenditure of £11,130, the accumulated surplus at that date being £22,885, not including investments totalling £8,000 specially set aside for replacement of assets. The total accumulated surplus is therefore £30,885, held as shown below :—

	£
Cash	18,906
Investments and advances in Samoa	629
Investments in New Zealand	11,350
	<u>£30,885</u>

Of the investments held in New Zealand, £8,000 has been appropriated for replacement of assets. It is not available for general purposes, but will be utilized to renew bridges, wharves, buildings, &c.

When the estimates were framed early in 1935 it was necessary to exercise caution in providing expenditure for the year, as it was then doubtful whether the price of copra, which had advanced during the last quarter of 1934–35, would be maintained at the higher level. Improved prices obtained throughout the year, however, and in addition production was high, with the effect that increased revenue was collected not only from export duty, but also by reason of greatly improved trade. It was found desirable to extend expenditure in order that necessary work, which had been reduced to a minimum on account of curtailed revenue, could be proceeded with when funds were available, and the approval of the Honourable Minister was obtained to supplementary estimates.

Details of revenue and expenditure for the year, together with corresponding figures for the previous year, are shown in the following statements :—

REVENUE.

Head of Revenue.	1934–35.	1935–36.
	£	£
I. Education	823	823
II. Health	7,621	8,715
III. Justice	794	836
IV. Lands and Survey	179	260
V. Native	713	608
VI. Police and Prisons	2,490	2,916
VII. Postal and Radio	5,246	7,824
VIII. Public Works	4,519	4,504
IX. Treasury, Customs, &c.	56,423	85,381
	<u>£78,808</u>	<u>£111,867</u>

Health Department revenue includes £5,424 for sales of medicinal liquor, an increase of £656 over the previous year. The remainder of the increase of £1,094 in the revenue of the Department is accounted for by a slight improvement in fees collected and an increase of £375 in sales of stores.

In the Postal and Radio Department, interest on savings-bank investments was some £400 higher, deposits having increased during the year. During the year new stamp issues accounted for an increase of approximately £2,000 in revenue from postages.

Improvement in trade brought about greater revenue under almost every item of the heading Treasury, Customs, &c., resulting in an increase of £28,957 over the previous year. Principal increases are set out below (in round figures) :—

	£
Export duty—Copra	14,400
Import duty	5,300
Port and Customs service tax	1,800
Stamp duties	5,300
	<u>£26,800</u>