

## FINANCIAL YEAR, 1878–79.

The expenditure proposed by the late Government for the year 1878–79 was £4,210,436. It will be in the recollection of honorable gentlemen who were in the last Parliament that a table was presented by the then Colonial Treasurer, Sir George Grey, at the end of the last session, indicating the savings which had been effected upon the votes. The total expenditure, as given in the table, was £3,652,048, showing an apparent net saving of £558,387. But this table is entirely misleading without proper explanation, the truth being that there was no saving at all in the ordinary sense during the year. In the first place, we must take off from the apparent saving of £558,387 the outstanding liabilities, almost the whole of which have been since paid. Some of them are still outstanding; but, practically, they have all been paid. The first thing we must do, then, is to take off the outstanding liabilities, amounting to £354,913. Having taken these off, honorable gentlemen will find that the balance of the savings is made of such items as these—I will not enumerate them all: of such items as £100,000 voted out of the surplus balance of the year before last in aid of the Public Works Fund. Honorable members will recollect that it was proposed to transfer a sum of £100,000 from the Consolidated Revenue to the Public Works Fund, and a great flourish was made of that proposal; but unfortunately it was never accomplished—the £100,000 was never paid over, and it appeared in that table as a saving. There is also another item of £74,031, which was included in the estimated amount required to pay the 20 per cent. of Land Revenue; the Land Fund having fallen much short of the estimate, that sum was not required to be paid. Another item of £46,188 was an over-estimate of the interest required, and therefore was not used. Honorable members, upon reference to the returns I shall place upon the table of this House, will see that nearly the whole of the supposed saving is made up of items similar to those which I have named. Now, the total payments within and on account of the year amount to £4,006,961. I will presently refer to one or two classes of expenditure, to which I think the attention of the House should be especially called.

I now come to the revenue for the year. Honorable gentlemen will recollect that it was estimated to amount to £4,045,537, and that it actually did realize £3,751,598. The decrease arose almost entirely from a falling-off in the land revenue, amounting to the sum of £359,947. Receipts specially applicable also fell off by £30,430. There was, however, a net increase in the ordinary revenue of £96,439, derived chiefly from Customs, Stamps, and Railway receipts. The total receipts of the year, instead of being £4,045,537, amounted only to £3,751,598, the decrease being attributable, as I have just said, to the great falling-off in the land revenue. Now, taking the revenue of the year, £3,751,598, and adding thereto the balance of £116,844 brought forward from the previous year, together with certain assets amounting to £6,695 realized since the close of last year, we get a total of £3,875,137; and subtracting that total from the expenditure of the year—viz., £4,006,961, honorable members will find that at the end of the year we had a deficit of £131,824; and this sum we shall have to provide for during this year. Looked at in another way, we began the year with £116,844 to our credit, and we ended it with £131,824 to our debit; so that, looking upon the year as something