

The estimate of revenue, as prepared by the late Government—and this was laid on the table of the House—amounts to £3,442,000. It is made up as follows, taking the classification adopted by the late Treasurer: from Taxation, £1,580,000; Services rendered, £1,362,000; Land Fund, £500,000. The estimated expenditure, exclusive of the £140,000 for contingent defence which it is proposed to take out of loan, amounts, as I have already informed the House, to £3,974,034; and, if from this we deduct our estimated revenue, we arrive at a deficit for the year of £532,034. If to this we add the deficit with which we began the year, £131,824, we have a total deficit of £663,858 for the present year. I wish I could stop there; but I should not be doing my duty to the House if I were to say that I thought the estimates of revenue prepared by the late Government would be realized. Of course we have the advantage of three months' experience of the year, and are therefore better able to estimate what the revenue will be. I have gone as carefully as I could into the matter, considering the time at my disposal, and I fear the estimate I am about to submit will not be exceeded. We may hope it will be, but, as prudent men of business, I do not think it will be wise to calculate upon receiving more than the estimate I am about to give from our present sources of revenue. I estimate that from Taxation we shall receive £1,512,300; for Services rendered, £1,301,600; and for Land, £380,000, instead of £500,000. I have estimated the Customs revenue at £1,200,000, and the other departments I have reduced slightly, leaving the Railways receipts as estimated by the department itself. Now, if we take this revenue, £3,193,900, from the proposed expenditure £3,974,034, and then add the deficit of £131,824 with which we began the year, and which has to be provided for, we shall find that there is a total deficit on the year of £911,958, which must be provided for either by a reduction of expenditure, by increased taxation, or by some other mode which the House may decide upon. The amount is so large that I have no doubt it will take honorable members some time to realize what it means. It means that this House must immediately turn its attention to the finances of the country—it means that not a moment is to be lost in deciding how we are to face our present difficulty. It is not my business now to make any remarks upon the manner in which the deficiency has arisen, or how it should be met: that question will have to be considered when we have finished the unfortunate struggles in which we are now engaged. I conceived that it was my simple duty to submit these facts to the House.

And this brings me to the reason for asking that I may be permitted to pass the Bill upon which I am now addressing the House through all stages at one sitting. I may tell the House that when I took possession of the Treasury I found the Public Account in this state: that the receipts for the quarter then just ended did not come up to the payments that had then been made by a sum of £330,000; that the late Government had issued £400,000 of deficiency bills, and had used the whole of the proceeds; that no provision had been made for paying the subsidies which are now due, or for meeting other payments which it is absolutely necessary to make. So soon as I found that this was the position of affairs, I at once, as I was in duty bound, came down to this House to tell it what further relief we wanted, and this Bill is the mode in which the Government think it best to deal with the question. We propose to take power to issue