

REVENUE FOR THE YEAR 1881-82.

Before, Sir, I proceed to the consideration of the estimated revenue for the current year, I desire, with the permission of the House, to refer to one or two important questions which are doubtless occupying the minds of honorable members. And the first which presents itself to most of us is, I think. Will it be necessary to impose fresh taxation this year? I am happy to be able to inform the House that I can answer that question with an emphatic negative. And then, Sir, that question having been answered satisfactorily, comes its fellow. Can taxation be reduced this year? The answer must depend on the view the House may adopt of the action to be taken in the early future towards completing the great arterial communications of the colony. The Government, after the past year's study of the condition of the country under circumstances of exceptional depression, have decided to assume that the Legislature will require the finance to be shaped in the sense of continuing its great undertakings. The experience of the past will enable us to do this on a surer basis of calculation than hitherto. The general reasonableness of the expectations, as well as the dangers of the policy of 1870, is fully exposed in the revenue returns and trade and population statistics of the last ten years, and these justify me in recommending that, whilst avoiding what I will call high-pressure finance, we should arrange for the construction of all the defective links in the trunk lines of railway, necessarily at a reduced speed, but without intermission.

While this recommendation forbids us to propose any very imposing reduction of taxation, it need not prevent us diminishing, to an appreciable amount, our demand on the taxpayer. Returning to the Property-Tax, it will be in the recollection of honorable members that, when the Act was passed, it was determined, on grounds of public policy, not to include foreign capital as liable to taxation. On a fuller consideration, the Government have determined to ask the Legislature to bring this excluded capital within the Act this year. We shall, therefore, shortly ask leave to introduce a Bill to amend the Property Assessment Act in the direction indicated, and for the purpose of correcting some faults and unfairnesses which have appeared in the working of the Act. Should the Act be amended as proposed, I estimate that the taxable property under it will be increased by no less than £11,000,000, of which estimate particulars will be furnished when the Bill is under consideration. This amount, at 1d. in the pound, would yield, say £45,000, and in the present condition of the revenue will enable us to propose, first, a reduction in the Customs duties, and, second, a diminution of the Property-Tax. We propose to admit free of duty, calicoes, white and grey, moleskins, corduroy, colored cotton shirting (all in the piece); axes, spades, and shovels, and to admit free or reduce the duties on a variety of other articles which I need not now detain the House to enumerate—all these remissions and reductions tending to encourage local manufactures. With respect to the Property-Tax we shall ask for the continuance of the present penny rate till September next, to be reduced after that date to one half-penny for the remainder of the year.

ORDINARY REVENUE.

We have, now, Mr Speaker, to consider on the above basis the Ways and Means for the current year. I estimate that the total receipts of the year, from all sources, in the ordinary Revenue Account, will amount to £3,297,650, full particulars of which honorable members will find in Table No. 8 attached to this Statement. Of this, £1,826,000 is to be raised by taxation, and £1,471,650 is receivable for services rendered, &c. Speaking then, first, of the amount raised by taxation, we find that the Customs duties last year yielded £1,307,635, this year I have estimated them at £1,360,000, or at an increase of about £53,000, which, considering the steady and satisfactory improvement in the circumstances of the colony, will, I think, be fully realized, but from this amount it will be necessary to deduct £15,000, if the remissions which I have just suggested are agreed to, thus leaving the Customs duties for the year at £1,345,000. The Property-Tax I have estimated to yield £270,000, upon the supposition