

I now sum up the position in connection with the additional taxation that I have alluded to under the several headings, as follows :—

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Graduated income-tax	80,000
Death duties	150,000
Long-distance passenger rates	100,000
1 per cent. temporary increase upon Customs	50,000
Banks additional taxation	30,000
Racing clubs 2½ per cent. on total receipts	38,000
Total	448,000
Expenditure additional to provide for	330,000
Balance for unforeseen expenditure	£118,000

FINANCE, 1909-10.

I now come to the question of the ways and means of the Ordinary Revenue Account for the current financial year. In the first place you will require to know how much our expenditure is likely to be, and then the amount of revenue I anticipate to receive to meet such expenditure.

EXPENDITURE.

The expenditure for the present year is estimated at £9,015,878, as against an actual expenditure last year of £8,785,513. The permanent charges show an increase of £292,767, while the ordinary departmental expenditure shows a decrease of £48,275. Dealing first with the permanent charges, a large additional expenditure arises principally from the charges for interest, which has to be provided for the new loans recently raised. Under the permanent Acts an additional expenditure of £150,820 is anticipated, of which £67,000 is to meet charges against the residue set aside in respect of national-endowment land for education and old-age pensions, £60,000 for naval defence, and £25,000 for subsidy and endowments to local authorities provided for by Acts of Parliament. The amount required for departmental votes is stated at £5,513,081, or £48,275 less than the actual of last year. In respect of the increases, the Post and Telegraph Department is responsible for £61,351, of which £58,000 is for salaries consequent on increases of salaries provided for by the Post and Telegraph Classification Act and the absorbment of the Old-age Pensions Office by that Department. The Railway estimate exceeds the actual expenditure of last year by £23,192, but, having regard to the increased mileage of line that will have to be worked during the whole of the current year, the estimated expenditure is equal to a saving of £80,315. The Education Department asks for an increase of £25,296, the necessity for which must be expected so long as settlement keeps increasing, and education has to be provided for. The Defence Department shows an increase of £6,933 for additional capitation and ammunition, and the Native Department £2,735, making the total increases £119,507, against which the decreases in the other classes of expenditure amount to £167,782, brought about by amalgamation, retrenchment, and non-recurrent charges.

REVENUE.

The estimated revenue for the current year is set down to produce £9,020,000, or £18,815 more than the actual of last year.

Dealing first with the revenue derived from Customs, I anticipate that the importations during the current year may be somewhat restricted, owing to the tightness of the money-market and the tendency on the part of the merchants to carry only sufficient stock to meet current requirements. This tightness