

is passing away, and the increased prices now obtainable for our chief product (wool) should materially brighten our prospects. The population of New Zealand has increased by 31,158 persons, of whom 14,261 represent excess of immigration over emigration, and this increase should to some extent increase the revenue. Traders who have been holding back from importing are now confronted with depleted stocks, and large quantities of merchandise are on the way out or are under order, and under these circumstances I think it is safe to estimate our Customs revenue for the current year at £2,630,000, or £171,248 less than the previous year.

As to railway revenue, my colleague the Minister of Railways, after giving the matter due consideration, estimates the railway revenue at £3,050,000, and the expenditure at £2,143,500. This will leave a net revenue of £906,500. The extension of the suburban area, and the computation of through-fares on the combined, ordinary, and suburban rates in the same manner as adopted in computing the charges for the conveyance of goods, has decreased the gross receipts from passengers to an appreciable extent. Similarly, the reduction made in the rate for road-metal, which under the old rate was carried at an unremunerative rate, has detrimentally affected the revenue derived from that source, and therefore it is not advisable to estimate more than the amount set down above.

Beer duty is stated at £113,000, a slight decrease on the actual of last year, which may be looked for consequent on the increase of no-license areas arising from the results of the last local-option poll.

The land-tax estimate of £625,000 is based on the understanding that the 25 per cent. additional graduated tax will be collected under section 53 of "The Land and Income Tax Assessment Act, 1908." Owing to the numerous subdivisions of property liable to graduated tax a loss will be sustained, but this loss should be made up by the increase of valuations in the districts revised on 31st March last.

As regards the decrease in the estimate for income-tax, I have to explain that, as the assessments for this year will be made on the returns and income of the year ended 31st March, 1909, I have deemed it prudent to take into consideration the comparative depression that existed during that period, and do not think it wise to count on a revenue from that source of more than £300,000, as compared with the actual collection of £321,044 for last year. It is true that trade already shows a revival, but the income-tax revenue will not benefit by this until next financial year.

Registration and other fees show a decrease of £24,000, as last year's revenue included a receipt of £23,500 poll-tax from Chinese emigration, which cannot be expected this year in view of the educational test now insisted upon.

Other heads of revenue call for no special comment.

RESULTS.

I have now placed before you the estimates of the expenditure and revenue for the current financial year, and will proceed to set down the estimated results at the close of the year.

		£
Balance brought forward from last year	184,321
Add estimated revenue	9,020,000
		<hr/>
		9,204,321
Deduct estimated expenditure	9,015,878
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Leaving a surplus of	£188,443

at the close of the year, subject, of course, to provision being made for items on the supplementary estimates.