

people that the fullest possible facilities should be given for carrying on the work of those settled on our lands, and those intending to settle, are essentials to their successful existence, and that nothing helps to develop business more than transit facilities, and railways will, consistent with the amount of money that can be devoted to them yearly, be pushed on as rapidly as possible.

#### FINANCE FOR 1911-12.

There is every reason to hope that the year we are now in will be a good one. Prices for our staple products are on a satisfactory scale, and trade throughout the Dominion is active. There are comparatively few out of employment. From time to time fluctuations in the labour-market occur in all countries, and we may not unreasonably congratulate ourselves upon being comparatively free here. I therefore look forward hopefully to a successful year, and I am justified in anticipating that there should be a substantial surplus at the end of March next.

#### EXPENDITURE.

The progress and prosperity of the country has made such strides that it is only natural with the increasing demand for further facilities in railways and postal services, education, and the establishment of universal training, that an increased expenditure of public moneys will be required.

This I estimate at £10,136,566, an increase of £793,461 over that of last year. The increases will be as follows: Permanent charges, £227,741; departmental, £565,720. The permanent charges as the business of the country develops and fresh railways, roads, &c., are provided must increase, but side by side with it the revenue has increased still more. The interest on each sum borrowed is, of course, a permanent increase.

The principal increase is for—

Interest.. .. .	£205,104
-----------------	----------

Departmental expenditure will reach £6,265,975 being £565,720 in excess of that for 1910-11. The principal increases are,—

Railways .. .. .	£104,187
Education .. .. .	93,150
Defence.. .. .	171,635

It should be noted that the large increases in these Departments are what must be expected. As the Dominion grows so will the expenditure for education, railways, and postal services.

#### REVENUE.

I estimate the revenue for 1911-12 to be £10,429,010, being £131,987 more than that for last year. I estimate the Railway revenue at £3,525,000; Customs at £3,000,000; Stamps, £860,000; Post and Telegraph revenue, £1,095,000; land-tax, £635,000; income-tax, £410,000; beer duty, £115,000; registration and other fees, £104,345; Marine, £45,000; miscellaneous, £338,150; territorial revenue, £238,550; and endowment revenue, £62,365.

The forecast may be summarized thus:—

	£
Balance from last year .. .. .	586,483
Estimated revenue for 1911-12 .. .. .	10,429,010
<b>Total .. .. .</b>	<b>11,015,493</b>
From this, if the estimated expenditure is taken .. .. .	10,136,566
<b>There will be left a surplus of .. .. .</b>	<b>£878,927</b>

Of course, from this will have to be taken the amount to be voted on the supplementary estimates and amount to be transferred to the Public Works Fund.