

STATEMENT OF THE REVENUE AND EXPENDITURE FOR THE TWELVE MONTHS ENDED
28TH FEBRUARY, 1921.

Revenue.	Amount.	Expenditure.	Amount.
	£		£
Customs	8,485,965	Permanent Charges—	
Stamp and death duties	3,797,473	Civil List	31,275
Postal and Telegraph	2,811,743	Interest and sinking fund	7,991,812
Land-tax	1,669,884	Special Acts	4,388,142
Income-tax	6,308,994		12,411,229
Beer duty	368,418		
Railways	6,934,904	Annual Appropriations—	
Registration and other fees	233,319	Class Legislative	64,550
Marine	55,662	" Finance	520,559
Miscellaneous	1,361,248	" Post and Telegraph	2,786,387
Territorial	223,498	" Railways	5,642,185
National-endowment revenue	100,448	" Public Buildings	199,174
Other receipts.. .. .	68,000	" Native	34,963
		" Justice	721,503
		" Mines.. .. .	41,074
		" Internal Affairs	1,200,580
		" Defence	546,426
		" Customs and Marine	279,739
		" Labour	45,188
		" Lands and Survey	374,354
		" Agriculture	483,789
		" Education	2,362,920
		Services not provided for	80,153
			15,383,544
	32,419,566		27,794,773

REVENUE.

The increase in Customs revenue is due largely to the fact that overseas manufacturers were able to fulfil outstanding and current orders with a rapidity which was not anticipated by importers, many of whom are now overstocked. It is therefore certain that imports will be greatly reduced during the coming year, and that the Customs revenue will be reduced in proportion.

The Post and Telegraph and the Railway revenues show increases on account of the additional charges imposed in order to meet the payment of higher wages and bonuses arising out of the increased cost of living.

EXPENDITURE.

A close oversight has been maintained over the expenditure, which is within the appropriations, but with the prospect of reduced revenues it is necessary that the utmost economy should be practised in connection with all State activities and administration.

ACCUMULATED SURPLUS.

At the 31st March last the accumulated surplus amounted to £17,500,000. This surplus is being utilized for discharged soldiers settlement and other purposes for which loans would otherwise have been necessary. The public debt has thus been saved a very large increase and the taxpayer has been relieved of annual interest and sinking-fund charges which would amount to, roughly, £1,000,000 per annum. The allocation of the accumulated surplus in this manner also provides an investment which produces interest at the rate of 4 per cent. per annum.

SURPLUS FOR CURRENT YEAR.

I anticipate there will be a surplus at the 31st March next, but the excess Customs revenue will to a great extent account for this. It is certain that the Customs revenue will show a large drop next year.

I propose to carry as much as possible of the surplus forward to assist in tiding over that portion of the year when even under normal conditions the expenditure usually largely exceeds the revenue.