

The gross increase in Customs duty amounted to £1,028,869 ; but after deducting decreases due to the change in the tariff and in the revenue collected on spirits, the net excess is £936,856.

There was a decrease of £2,267,369 in land and income tax, and in this connection I may explain that in 1920–21 the total tax collected was £9,937,923 ; in 1921–22, £7,640,803 ; in 1922–23, £5,373,434. The income-tax collections are based on the business transactions and assessments thereon for each preceding year, and indicate the course of the post-war depression. When the estimates for 1922–23 were prepared, it was anticipated that there would be a further decrease of £2,040,803. Notwithstanding this, reductions were granted in taxation during 1922–23 amounting to £929,100, so that a gross drop of £2,969,903 would have eventuated had not the assessments for 1921–22 realized more than was expected. The revenue would thus have been less by £2,969,903, but recovered to the extent of £702,534, so that the actual decrease was £2,267,369 only.

There is a nominal increase of £416,009 in departmental and other receipts, but this is due to an alteration in the system of accounting whereby receipts formerly credited to certain departmental votes are now credited to revenue—a change that ensures closer parliamentary control over the annual appropriations.

EXPENDITURE.

The total expenditure out of the Ordinary Revenue Account amounted to £26,263,760, being £2,203,078 under the expenditure of the previous year, and £1,851,946 less than the amount appropriated by Parliament.

The expenditure under the three main heads was as follows :—

| | £ |
|---|--------------------|
| Civil List and special Acts | 4,073,957 |
| Interest and sinking fund charges (including £141,171 paid off debt on account of Imperial funded debt) | 8,899,957 |
| Annual appropriations | 13,289,846 |
| Total | £26,263,760 |
| Compared with the previous year the <i>decreases</i> are,— | |
| Civil List and special Acts | 357,926 |
| Annual appropriations | 2,302,831 |
| Gross decrease | 2,660,757 |
| Less an <i>increase</i> in the interest, sinking fund, and repayment charges of | 457,679 |
| Leaving the net decrease as mentioned above | £2,203,078 |

The higher rates of interest are mainly the reason for the increase of £457,679, but the estimated expenditure under this heading for the current year shows a decrease of £233,782.

The decrease in expenditure in annual appropriations and under special Acts, apart from interest and sinking-fund charges, was £2,660,757.

The savings in departmental expenditure are common to nearly all votes, the principal reductions being—

| | £ |
|---|-----------|
| Post and Telegraph working-expenses | 336,145 |
| Public buildings | 31,217 |
| Defence and Naval | 222,629 |
| Lands and Survey | 63,295 |
| Customs | 33,123 |
| Railways | 1,527,053 |
| Education | 65,571 |
| Agriculture | 66,979 |
| Marine | 34,491 |