

Summary of
savings.

All these proposals will provide towards making good the prospective Budget shortage of £6,850,000, a total of £5,056,000 made up as follows:—

	£
Reductions in salaries and wages	1,390,000
Benefit from suspension of funded-debt payments ..	870,000
Other economies in expenditure	595,000
Post Office surplus and other additional revenue ..	936,000
Use of reserves	1,140,000
Subsidies to local authorities, &c., to remain a charge on Highways Account	125,000
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	£5,056,000
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This leaves approximately £1,800,000 to be provided for by additional taxation.

TAXATION.

Taxation.

Needless to say, it is with much reluctance and regret that the Government brings down any proposals for additional taxation under present circumstances, but it will be clear from what has already been explained that every effort has been made to meet the situation by other means.

Let me say, quite sincerely, that I have well thought over the consequences that would result were the Government to budget for a deficiency, and after careful consideration I am satisfied that the only course to pursue, if the interests of our people are to be properly safeguarded, is to keep the ship of State on an even keel, and maintain our public finances on a sound basis.

Income-tax.

Towards the last £1,800,000 required to obtain a balanced budget, it is proposed to obtain £730,000 from additional income-tax. For last financial year the tax was levied at certain prescribed rates, plus 10 per cent., but for this year the surtax will be increased to 30 per cent. In addition, the present general exemption of £300, diminished £1 for every £2 of income between £450 and £750, and £1 for £1 between £750 and £900, will be cancelled and replaced by a general exemption of £260, diminished £1 for every £3 of income between £260 and £560, and £2 for every £3 between £560 and £800.

Stamp duties.

It is proposed to obtain a further amount, estimated at £50,000, from additional stamp duties. A duty of 5 per cent. will be imposed on overseas steamer tickets, and a duty of 10 per cent. on art union tickets in the case of art unions for mineral specimens of a value in excess of £100.

Customs and
excise duties.

The balance of the amount required will come from Customs and Excise duties, and I will give details of these to honourable members presently when moving the necessary resolutions.

BUDGET ESTIMATES.

Estimated revenue.

Allowing for these increases in taxation, and also for the economies and adjustments previously enumerated, it is estimated that the revenue for the year will be as follows:—

	£
Customs	7,410,000
Beer duty	650,000
Film-hire tax	50,000
Motor-vehicles—Duties and licenses	1,760,000
Stamp and death duties	3,140,000
Land-tax	1,100,000
Income-tax	4,230,000
Interest receipts—	£
Railway capital	930,000
Post Office capital	535,000
Public moneys	745,000
Public Debt Redemption Fund	820,000
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	3,030,000
Miscellaneous—	
Post Office surplus	1,090,000
From reserves	1,140,000
Other	1,346,000
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	3,576,000
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	£24,946,000
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