

SUMMARY OF POSITION.

To sum up the whole position, the estimates of revenue are as follows:—
Taxation—

	£	£
Customs	7,900,000	
Beer duty	675,000	
Sales tax	2,475,000	
Film-hire tax	55,000	
Gold export duty.. .. .	100,000	
Highways	2,040,000	
Stamp and death duties	2,710,000	
Land-tax	470,000	
Income-tax	4,250,000	
Miscellaneous	45,000	
Total taxation		20,720,000
Interest receipts		2,734,000
Other receipts		2,408,000
		<u>£25,862,000</u>
Less reductions in Railway Interest on account of increase in salaries		120,000
		<u>£25,742,000</u>

The Budget estimate of expenditure may be summarized as follows:—

	£	£
Debt services	9,441,000	
Exchange	1,636,000	
Transfer of highways revenue.. .. .	2,041,000	
Other Permanent Appropriations	633,000	
Annual votes—		
Social services	7,295,000	
Other votes	4,165,000	
Total, Main Estimates		25,211,000
7½ per cent. increase in salaries and wages		180,000
Full restoration of old-age pensions		63,000
7½ per cent. increase in other pensions		32,000
Extension of pension rights for returned soldiers' widows		12,500
War Veterans allowances		30,000
Other Supplementary Estimates		200,000
		<u>£25,728,500</u>

Budget surplus.

On this basis there will remain a small balance of £13,500 to provide for contingencies. I may say that the Government is not unmindful of the fact that the burden of taxation is heavy, and it is regretted that there was not sufficient scope in the Budget to make further reductions this year, having regard to the prior claims of the Public Service for restoration of cuts in salaries and wages. However, with the increasing progress now being made towards economic recovery, a substantial reduction in taxation should not be long delayed.

Conclusion.

Looking back over the last few years, I consider the Government can justly claim to have piloted the Dominion successfully through the worst economic storm in its history. A considerable measure of success has been achieved in bridging the gap between costs and income in our basic industries, and, with the readjustment of liabilities already provided for by statute and the heartening rise in prices now apparent, there should soon be an improvement in farming profits. This will be reflected in a general improvement in trade and industry. Prospects are definitely good.

In the sphere of public finance, not only has Budget stability been restored but we have come through the depression without any legacy of accumulated floating debt. Unemployment funds have been provided out of revenue and the public debt is less now than it was three years ago.

Thus the financial record of the Dominion through the depression compares favourably with that of any other country.