I have not taken credit for any saving for interest or sinking fund which may be released by inscription of stock. We may obtain some relief from this source during next year; but the uncertainty of this is so great that it would not be prudent to calculate upon it. I hope, however, when such relief comes, we shall be enabled to considerably reduce taxation, and, as I have said before, I think we may look for this relief at an early date.

It is proposed, then, by these means to raise £618,700 additional revenue; if this be added to the revenue from present sources, estimated to amount, exclusive of land sales, to £2,945,900, we get £3,564,600 as the total revenue for the year. The estimated expenditure I have taken as probably £3,489,949; and if we deduct this sum from the revenue, we arrive at an estimated surplus of £74,651.

From these figures I think honorable members will see that the proposals of the Government, if they should meet with the approval of the House, will, without any reasonable doubt, equalize our expenditure and income.

HOW DEFICIENCY FOR CURRENT YEAR IS TO BE MET.

Sir, it now only remains for me to deal with the deficiency for the current year. The question of the advisability of changing the time when the financial year shall end has been raised from time to time in Parliament, but for various reasons has never yet been favourably entertained. The Government, Sir, have come to the conclusion that the change might now be effected with advantage to the public service, and with the general approval of honorable members. I shall, therefore, propose that the financial year shall in future end on the 31st March. The first and obvious advantage which will follow this change is that it will shorten the period during which our present estimated disparity between income and expenditure will run, and will enable us to begin a new financial year by the time our increased taxation has come fairly into force. The period of year, too, when Parliament will meet—namely, about the middle of May—will, I have reason to believe, better suit the convenience of honourable members than the time at which the House now sits. Sir, I have already said that the deficiency for the year will probably amount to £951,002; but, should the House sanction the proposed change in the financial year, our current financial period will terminate on 31st March next, and the deficit to be immediately provided against will be proportionately diminished. I estimate that the expenditure for the nine months will be £3,110,262, and the revenue for the same period, including the receipts from the new taxation, will be £2,445,200, leaving a deficit of £665,062, to which I add the deficit of £131,824 at the close of last year, and arrive at £796,886 as the amount of deficiency to be provided for. Sir, it is now the middle of November; five months, therefore, of the financial year have practically gone, and we have already issued and absorbed deficiency bills to the amount of £600,000. It is not, in the opinion of the Government, either possible or wise to attempt, under our present circumstances, wholly to meet this deficiency by taxation. We are, I hope, about to take a new departure in finance, the proposals of the Government, if given effect to, insuring in the future, a state of equilibrium between expenditure and income. But to secure this result, taxation of a very onerous character will have to be imposed, and the Committee will, I think, agree with me in the opinion that to impose special taxation for the purpose of the current period would be impossible. The Government will, therefore, ask authority to provide by loan for such deficiency as may be found to exist on 31st March next. It will include, of course, the deficiency bills already issued. To redeem these, and to cover the balance, I shall ask the House for authority to issue Treasury bills. These latter the Government propose to have inscribed as soon as possible under the authority of "The Consolidated Stock Act, 1877." I make this proposition with great regret, but I think it will be admitted on all sides that it is impossible to do more this year, and that to hamper ourselves continuously with a floating debt of that amount would be impolitic and unwise.