March, 1880, instead of £796,886 as estimated, proved to be nearly £200,000 more, and it was found necessary to obtain further aid by the issue of deficiency bills for that amount, which sum, by "The Treasury Bills Act, 1880," was also added to the public debt. It must be remembered, moreover, that this deficit has entailed upon the colony an additional expenditure of at least £50,000 a year for interest, until this sum of £1,000,000 is repaid.

THE FINANCIAL PERIOD, 1879-80.

The House will remember the proposal which I made in 1879, that in future the receipts within the year should be dealt with as the revenue of the year, and the payments made within the year as the expenditure of the year It will also be in the recollection of honorable members that it was determined not to apply this new system of keeping the account to the financial period of nine months ending on 31st March, 1880, but that whatever sum might be required to equalize the revenue and expenditure to that date should be provided for out of loan, so that we might start clear of liabilities. In consequence of this determination I estimated, in making the Financial Statement last year, that the liabilities of that period would exhaust the available assets with the exception of £9,918. This, however, has not proved to be the case, for, after discharging all liabilities in respect of the period now being referred to which came in course of payment to 31st March last, there remained a credit balance of £38,555, particulars of which will be found in Table No. 1 attached to this Statement. The deficit, therefore, to 31st March, 1880, was £961,445, being the difference between the credit balance of £38,555 and £1,000,000, the amount of the Treasury and deficiency bills issued in aid of the revenue.

EXPENDITURE OF THE ORDINARY REVENUE OF THE YEAR 1880-81.

In the Statement which I had the honor to make last year I estimated the cost of the services for the year at £3,423,709, and the amount which would come for payment in the ordinary course of business within the year, at £3,248,709. On the passing of the Estimates these sums were modified to £3,348,889 and £3,123,889 respectively. The actual expenditure was £3,168,183 (Table No. 2), or £44,294 more than I thought would come in course of payment during the year The House will not, however, look upon this fact with disapprobation, but rather, I venture to think, with satisfaction, when I state that it means simply that I took advantage of the opportunity of paying amounts which I had estimated would remain outstanding at the end of the financial year, thus reducing these from £225,000 to £165,514. I may add that the total amount voted for the departmental services of last year, inclusive of Lands and Surveys, was £1,929,807, and the actual expenditure was £1,754,041, or £175,766 less than voted; and if from this we deduct the outstanding liabilities, we find that the services of the year have been performed for rather less than the votes, a result which, considering the searching revision to which the Estimates were subjected by the Committee of Supply, will probably be thought very satisfactory

ORDINARY REVENUE OF THE YEAR 1880-81.

I now come to the estimated revenue as compared with the actual receipts for the year, full particulars of which will be found in Table No. 3 attached to this Statement. I do not include here the receipts from land sales, of these I will speak presently The estimated revenue was £3,238,000, while the actual receipts amounted to £3,123,961, being £114,039 less than my estimate. It will be seen upon reference to the table to which I have referred, that the receipts from railways were less than the estimated amount by £111,377, but, notwithstanding this fact, it will be gratifying to the House to know that, through the economical management of my friend the late Minister for Public Works, they have yielded about 3½ per cent. upon the £9,228,000 spent in their construction. The Property-Tax yielded £80,283 less than I had estimated, but of this sum £42,000 had yet to come in, being the amount outstanding and collectable on the 31st March, of the remainder, £20,000 is accounted for by the alteration of the schedules which was authorized during the session, and £20,000 is an over-estimate.