

A word or two now about the revenue and expenditure of last year.

RECEIPTS DURING THE YEAR 1897-98.

The estimate for the year was £4,793,000; the actual figures reached £5,079,230, producing an excess of £286,230 over the estimate. A glance at Table 2, which accompanies my Statement, shows how the excess is made up, but I may briefly mention the largest amounts—viz., £61,400 from Customs and beer duties; £59,200 from stamps; £95,500 from railways; £13,300 from territorial revenue; £34,800 from land and income, and other heads of revenue. In last year's Budget I anticipated an increase of £61,000 for Customs revenue over the actual receipts of 1896-97, and I expressed a hope that I was not too sanguine in adopting such increased figures. I had two things in view—first, that importers were very fully stocked at the time; and, secondly, that, the northern gold-mining activity having suffered a relapse, it was only reasonable to suppose that general trade would be proportionately affected. I may probably be blamed that my pessimistic views were not fulfilled; personally I am pleased to find a different result, for the increase of revenue from this source, and from our railways, goes far to prove that the spending-power of the people has been improved. A much larger amount of succession duty was received than could be estimated for, and this, with other substantial amounts, have swollen the stamp revenue. The land- and income-tax has come in wonderfully well; the last-named tax has reached a record amount, and very fairly indicates the general prosperity of the colony. From our railways we have received, as I have said, some £95,500 in excess of the estimate supplied by the department. There is no special feature in this to comment upon, for it is the evident result of increased commercial business, which has more than compensated for the loss of revenue from the floods and from the drought in southern Canterbury. Other heads of revenue have shown a gratifying increase.

The Advances to Settlers Office was able to repay to the Consolidated Fund £22,000 of the arrears of advances made from time to time from that fund. I am happy to mention that during the current year I think the office will be able to repay the balance of these advances, as well as to provide for the due payment within the year of the half-yearly amounts of interest upon the one-million-and-a-half loan borrowed for the purpose of lending upon mortgages.

EXPENDITURE DURING THE YEAR 1897-98.

The actual expenditure reached £4,912,372, and the estimate was set down at £4,979,074, resulting in a saving of £66,702. The table I have already referred to shows at a glance the various items over- or under-spent. The Working-railways vote was exceeded by £27,796; but I do not imagine much exception will be offered to this when it is taken into consideration that nearly £100,000 of excess revenue was at the same time obtained—for it is evident in railway business that increased revenue means also increased expenditure. Among the under-spent amounts (which total to £108,173), the item of £27,709 represents principally a saving of interest payable on Treasury bills and inscribed stock. Other items are of the ordinary departmental character, and call for no special remark.

RESULT OF THE WORKING OF 1897-98.

Summarised, the result of the transactions of the Revenue Account for the financial year ended 31st March last may be set down thus:—

	£
Actual receipts	5,079,230
Actual expenditure	4,912,372
	166,858
Add balance at beginning of year	354,286
Surplus at end of year	<u>£521,144</u>