

during the year ended March, 1901. This has been obtained not only without extra taxation, but in spite of large concessions made in Customs duties, in railway rates and fares, and in the adoption of penny postage of letters. Such expansion is, I think, satisfactory evidence that our people are prosperous and our trade is flourishing.

Table No. 2 attached to this Statement will show honourable members the exact results of the actual over the estimated revenue under the various heads: it is hardly necessary, therefore, to set the figures down here. I may, however, mention that Customs exceeded the estimate by £91,116, Railways by £109,488, and, notwithstanding the gift to the colony of the penny postage, Stamps (which include the postal revenue) by £5,171.

Comparing the actual revenue of last year with the figures of the preceding year, Customs show an increase of £20,254, Railways of £148,847, and Stamps of £4,736.

The land-tax and income-tax receipts for the year exceeded the estimate by £7,835 and £4,397 respectively, and the receipts of the previous year by £18,252 and £5,588.

The only head of revenue which did not come up to the estimate or to the previous year's collections was the territorial revenue, which was £20,380 under the estimate, and £20,584 less than the amount received during the previous year. This is accounted for by a falling-off of receipts from cash land-sales; but, as these receipts represent the realisation of our national assets, I do not deplore the falling-off.

In addition to the revenue proper as above mentioned, further receipts were brought to credit as by law provided—namely, £57,000 proceeds of debentures issued against the increases to the Sinking Fund for the current year, and £42,768 19s. 6d. representing recoveries of expenditure charged during the preceding year, principally in connection with the cost of our contingents in South Africa. Total receipts from all sources reached £6,152,839 1s., as compared with £5,906,916 3s. 9d. of the previous year.

EXPENDITURE.

Our expenditure last year was abnormally large, reaching £5,895,914 12s. 2d., or £416,211 2s. 10d. in excess of the expenditure of the year 1900–1, but £2,787 7s. 10d. within the estimates of the year to which the expenditure relates. The precise figures relating to the actual as compared with the estimates will be found in Table No. 2 herewith.

It is an oft-told tale, but it is right to mention the exceptional cause of this large expenditure. I may therefore be forgiven for only briefly referring to it, but I shall confine my remarks to the principal increases in the expenditure of last year, as compared with the previous twelve months.

Interest and sinking fund have gone up £58,323, which must be expected as long as it is necessary to raise loans for carrying out our public-works policy. Our old-age pensioners cost us £10,861 more than the preceding year. There was, however, a saving of £12,748 in subsidies. For all services the expenditure under permanent appropriations increased by £62,445 over the previous year.

It is, however, in the annual appropriations that the large increases are to be found. In the Colonial Secretary's Department the expenditure increased from £110,555 to £229,717, giving an excess of £119,162, made up principally of the cost of the visit of the Duke and Duchess of Cornwall and York, the Imperial regiments, and costs incidental thereto, which may be set down at £87,000. The taking of the census also increased our expenditure by £18,000, and the increased volume of parliamentary and departmental work caused the Printing and Stationery Department to draw upon us for £4,000 extra. The two new Departments of Public Health and Tourists more than dispose of the further extra expenditure. In the Department of the Postmaster-General an increase of £47,453 is to be found, arising from the continued general expansion of the postal and telegraphic business and from additional cost involved by the introduction of the penny post. Our national system of education is answerable