

Dealing with the revenue as estimated, the results show an increase of £855,946. In framing last year's estimates it was considered prudent, in view of the concessions which it was proposed to make, and for other reasons stated at the time, to discount the previous year's revenue by the sum of nearly £200,000, and, though I recognised that my estimate was a very safe one, the wonderful resources of our country produced results beyond my most sanguine expectations. Of the increases Customs yielded no less a sum than £303,565, while Railways was responsible for an increase of £215,395, and Stamps £210,934.

A comparative statement of revenue is as follows:—

	Estimated. £	Actual. £	Difference.	
			More. £	Less. £
Customs ... ..	2,800,000	3,103,565	303,565	...
Railways ... ..	2,550,000	2,765,395	215,395	...
Stamps ... ..	1,340,000	1,550,934	210,934	...
Land-tax ... ..	515,000	537,846	22,846	...
Income-tax ... ..	280,000	304,905	24,905	...
Beer duty ... ..	105,000	113,973	8,973	...
Registration and other fees ... ..	92,000	129,166	37,166	...
Marine ... ..	41,000	42,217	1,217	...
Miscellaneous ... ..	221,000	218,342	...	2,658
Territorial revenue ... ..	256,000	289,603	33,603	...
			858,604	2,658
			2,658	
Totals ... ..	£8,200,000	£9,055,946	£855,946	

#### EXPENDITURE.

Turning to the other side of the account I find the expenditure for the year amounted to £8,213,965, made up as follows:—

Permanent charges ... ..	£3,128,622
Departmental appropriations ... ..	5,085,343

or £439,039 more than the preceding year. Of this amount £90,502 has been spent under authority of special Acts, and £348,537 for departmental appropriations. It will be recognised that where the excess of revenue for the year was £855,946 an increased expenditure to produce it was to be expected, and the abnormal growth of the public business is at once its cause and its justification.

Dealing with the permanent charges, I find interest is responsible for £15,327; payment to local authorities, £28,316; old-age pensions, £11,210; grant to Public Service Superannuation Board, £20,000.

Of the excess in departmental appropriations, the Working Railways cost us an additional £113,771, but to cover this they had an excess of revenue of £143,999 more than the previous year. Postal facilities required an additional £89,867, Education services needed £35,434, and Defence requirements are answerable for £23,661. The other chief increases were Marine and Harbours, £14,931; Labour Department, £12,799; Agriculture, £10,632; Police, £11,795; Industries and Commerce, £10,532.

Comparing the estimated with the actual expenditure I find there was a saving of £20,986, made up as follows:—

	Estimated. £	Actual. £
Permanent appropriations ... ..	3,099,079	3,128,622
Departmental appropriations ... ..	5,135,872	5,085,343
Amount estimated ... ..	8,234,951	
Actual amount expended ... ..	8,213,965	
Difference ... ..	£20,986	

I have already mentioned that I was able to transfer to public works the sum of £800,000. This is the largest amount that has been transferred for this