

thinking it may be more ; but as our statistics are incomplete, I have taken the lowest calculation. This quantity, at 1½d. a gallon, would yield a revenue of £31,250, or, say, in round numbers, £30,000. We propose to allow the brewers a drawback of the duty on all beer exported from the colony. The mode of collection will be arranged to give the least trouble to the payer of the tax—the system of stamps prevailing in the United States recommending itself by its simplicity and directness. The Customs Department will assume control of this item of Inland Revenue, and I do not expect any considerable increase to the staff in consequence. I submit this tax to the Committee as one which, while touching with great lightness the contributor, is calculated to strengthen, as it will augment, the finance of the colony.

FINANCIAL RESULTS.

Sir, I have approached that point when I may bring together our different proposals, and present the results in a condensed form to the Committee. The annual amount of the Land Tax I have estimated at £100,000. The Income Tax from Joint-stock Companies will, I expect, yield £10,000. From Beer brewed in the colony we hope to obtain £30,000 ; and from Sparkling Wines, say, £1,000. These different sums make up a total, in fresh taxation, of £141,000. Deducting from this the total of remissions, £117,000, there is a margin of £24,000 which the new taxes are calculated to bring in above the revenue remitted. But there will stand against this margin the departmental expenses incurred over the Land Tax, which will probably be not less than £10,000 the first year.

But, as the Land Tax, and the tax on joint stock companies will not come into force before the 1st January next, the result for this year must be modified accordingly. The amount receivable from these taxes during the present financial year will therefore be £55,000. The Beer Tax will be receivable at once, and will yield, for eleven months, £27,273. For the same time the increase on sparkling wines will give £1,000, making a total from the new taxes in the present financial year of £83,273. Deducting from this the estimate of the loss from remissions for the half-year, £58,000, we have a surplus of £25,273 ; and, if we subtract the £10,000 estimated departmental cost of collecting the Land Tax, there remains a net surplus in favour of revenue of £15,273.

Now, Sir, although we do not ask that the total of taxation should be increased, we propose that this margin should be allowed to stand. It would be over-refining the position to make the remissions and the new taxes exactly equal, the data, as I have said, being in many respects incomplete. Nor should it be forgotten that the work of effecting a thorough reform is not to be achieved in a single year. While we think the new taxes proposed will be sufficient, with continued progress and the increasing nature of the revenue, to yield all that will be demanded from the same sources, we are not without hope that the state of the revenue at the end of the present financial year will enable us to make still further remissions on the necessities of life, and to proceed yet a considerable distance in reducing the length of the tariff.

Sir, one of the principal aims of the Government, since the termination of last session permitted them to devote attention to the question, has been to render simple and clear the financial position. The magnitude of the labour requires time for its entire accomplishment ; but I trust it has been within my scope to state, with some precision and accuracy, the actual state of the public accounts, to remove unnecessary distinctions, and establish others which may appear natural and obvious ; to bring into a focus and under survey the whole field of colonial finance. The credit of a British colony depends as much upon the openness and publicity given to its financial operations, even to their weaknesses and defects, as upon the traditional honesty and industry of the race.

It is, at the same time, a fortunate circumstance that, looking back over the field, there is nothing to disturb the faith which is reasonably reposed in our continued industrial, commercial, and financial prosperity. The changes we propose to inaugurate are, we believe, strongly calculated to accelerate this prosperity—which moves only with certain step when public right and justice are respected and jealously guarded. To maintain, for instance, those inequalities of taxation, which we propose to remedy, would benefit no man who intended to remain and