

REVENUE.

The total revenue received during the year amounted to £22,568,521, comprising taxation receipts, £15,605,206; interest, £2,641,710; and other departmental receipts, £1,821,605; whilst £2,500,000 was drawn from reserves; the Bank of New Zealand and the National Bank of New Zealand, Ltd., assisting by liquidating reserves invested in discharged soldiers settlement mortgages by advancing against hypothecation of the securities. Revenue.

As will be seen from the comparative tables attached to this statement, in which the items making up the above are set out in detail, the total revenue from taxation exceeded the Budget estimate by £800,000, the principal items in excess being Customs duties, £431,000; income-tax, £156,000; stamp and death duties, £99,000; and motor-vehicles duties, &c., £70,000. In fact, with two minor exceptions, every item of taxation exceeded the estimate, and the aggregate amount received was greater than for 1931–32, apart from the yield from the additional taxation imposed during the concluding months primarily for the benefit of this year's Budget. This appears to indicate fairly conclusively that in general we have at last come to the end of the constant heavy shrinkages in revenue that have been such a disturbing factor in budgeting since the depression descended upon us.

Under interest receipts the only important variation arises out of the improved position of the net railway revenue which exceeded the estimate by £110,000. This is concrete evidence of an improving tendency in the finances of this important branch of the Dominion's transport services. Little variation is evident in respect to other departmental receipts with the exception of registration and other fees which yielded some £37,000 in excess of what might reasonably have been expected under current economic conditions.

EXPENDITURE.

The net expenditure for the year totalled £22,528,379, against an estimate of £22,640,952, a net saving of £112,573. As already indicated, however, the expenditure included £470,000 for purchase of surplus exchange, which was not allowed for when the estimates were prepared. Thus the savings in other items totalled £582,573. Having regard to the fact that the estimates were carefully pruned and gave effect to most of the recommendations of the National Expenditure Commission, the saving of this additional amount was no mean achievement. It is the result of the whole-hearted co-operation of all Ministers and their Departments to reduce expenditure to an absolute minimum consistent with the maintenance of efficiency in their respective organizations. A glance at Table No. 9, attached to this Statement, will show that the amount I have mentioned was made up of numerous small savings spread over nearly every vote. Expenditure.

SUMMARY OF YEAR'S OPERATIONS.

The year's operations may be summarized as follows :—

					<i>Expenditure.</i>	
					£	£
Permanent appropriations—						
Debt services	..	..	..	..	9,890,015	
Other services	..	..	..	..	2,303,193	
Annual appropriations—						
Social services	..	..	..	..	6,797,213	
Other votes	..	..	..	..	3,537,958	
					—————	22,528,379
					<i>Revenue.</i>	
Taxation	..	..	..	..	15,605,206	
Interest	..	..	..	..	2,641,710	
Other receipts	..	..	..	..	1,821,605	
From reserves	..	..	..	..	2,500,000	
Total revenue ..					—————	22,568,521
Surplus ..					..	<u>£40,142</u>