

## CHAPTER III.

## FINANCE.

111. In this chapter statements are given of the receipts and expenditure, the public debt, and other matters of financial importance, for the year ended 30th June, 1885, together with comparative statements of the corresponding figures of previous years, to which are added various tables of interest. In all matters relating to finance, the fiscal year, beginning on the 1st of July and ending on the following 30th June, is the one spoken of, and not the calendar year. In order to make the monetary tables more convenient, cents are altogether omitted, and the amount in dollars only is quoted.

112. The receipts and payments on account of the Consolidated Fund constitute the ordinary revenue or income and expenditure of the country, and are therefore one of the means by which its financial condition may be ascertained. The sources from which the ordinary revenue is derived may be divided into two classes, viz., "Taxation" and "other sources." The amounts raised by taxation consist of Customs and Excise duties, and the amounts raised from other sources consist of money derived from the postal service, railways, public works, &c. The ordinary expenditure provides for the charges for debt and Provincial subsidies, the current expenses of the country and the charges on revenue.

113. The following figures give the ordinary revenue and expenditure for the fiscal year ended 30th June, 1885:—

Revenue . . . . .	\$32,797,001
Expenditure . . . . .	35,037,060
	—————
Expenditure in excess of revenue . . . . .	\$2,240,059
	—————

114. It will be seen that, though the revenue was nearly one million in excess of that of 1884, the exact amount being \$935,040, the expenditure exceeded the revenue by \$2,240,059. This large amount of deficit was principally caused by the expenses attending the suppression of the outbreak in the North-West. These expenses had not, of course, been provided for in the estimates, and at the end of the year had amounted to \$1,697,851. There was an increase of \$1,719,302 in the amount of interest on the public debt, and an increase in subsidies to Provinces of \$355,600. The expenditure exceeded that of the preceding year by \$3,929,354, and exceeded the estimates by \$4,568,430, and was the largest amount expended in any one year since Confederation. The revenue, as has been stated, was nearly one million in excess of 1884, but was \$2,997,648 less than in 1883, and \$586,454