

## FINANCIAL STATEMENT.

By the Hon. Mr. FITZHERBERT, 22nd August, 1867.

On the House going into Committee of Supply,

Mr. FITZHERBERT said,—Mr. Carleton, it now devolves on me to make the usual annual statement, explanatory of the results of last year's financial operations, of the proposals for the present year, and of the financial policy of the Government as affecting the future of the Colony; and it so happens that this is the fourth consecutive session in which I have been called on to make such an official statement. Not, indeed, that I have been fortunate enough to hold the seals of office uninterruptedly throughout such a period, for the wisdom or fickleness of our New Zealand Parliament forbids such an excessive indulgence in the sweets of office; and, true to the colonial instinct of getting the most for its money, it has contrived to squeeze out two extras during that period of less than three years, by which means it may be supposed to have reduced the cost of budget speeches to half-price.

Notwithstanding, however, the change of *personnel* made in obedience to the impartial spirit of Parliament, which likes "just to give a turn to all round," I am happy to be able to state that the engine has not been reversed; but that, on the contrary, there has been a progressive movement of the financial policy introduced in 1864—an epoch when the Colony took the first step, at a cost of £50,000, which rendered the unity of national life in New Zealand a practicability; definitively declined to contribute to the maintenance of Imperial Troops; and, resolutely setting its back to the wall, relied on itself to maintain the internal peace of the Colony. When also, in order to enable it to accomplish these great objects, and, at the same time, maintain the credit of the Colony and continue to supply the Provinces with the funds necessary to enable them to conduct their special work of colonisation, the Colony imposed on itself heavy additional taxation.

It might be supposed that, as practice is said to make perfect, I should be able now to deliver a financial statement with much greater satisfaction to the Committee and ease to myself than on former occasions. But I am free to confess, that although in many respects our financial condition contrasts most favourably with what it was in 1864, both as regards income, resources and credit, and that so far, the path along which a financial statement has to travel has been rendered very much smoother and easier, yet the financial problems which now demand solution and cannot be avoided, unless indeed the Government is prepared to shirk its duty, are so extensive and complicated with so many and often conflicting interests; there are so many financial solecisms which have grown up in New Zealand; there are moreover so many mouths to feed, no longer belonging to nine little Oliver Twists asking for more, but to sturdy claimants, making as though they would seize whilst they seem only to solicit; that a much abler Finance Minister than I pretend to be might well shrink from the present task.

But I feel also that I have been placed at an unusual disadvantage, owing to a somewhat free use of the privilege of diffusing information on the part of my honorable colleagues; for, however interesting the circumstance may be, as an illustration of the fact that all ships, whether merchant ships or ships of State, even those classed A1, do somehow leak a little in bad

weather; it nevertheless adds to the embarrassment of one who has to deal with a subject (dull enough at the best) from which its little bloom of freshness has been rubbed off.

I am, moreover, but too well conscious (if reference for an instant to a personal question may be excused) that the anxiety which has oppressed me whilst preparing for the present occasion, has in a great measure unfitted me for the adequate discharge of the task which now lies before me. I therefore solicit consideration for myself personally; and, for the sake of the Colony, I ask for that patient hearing, that impartial suspension of judgment until the proposals of the Government shall have been carefully considered and weighed as a whole, which is absolutely necessary if the Committee regards (as it is undoubtedly its duty to do) not only the interest of every part of New Zealand, taken by itself, but also the interests of every part regarded as a portion of one whole Colony.

I now ask the Committee to pass in review the estimated ordinary expenditure as proposed by the Government for the past financial year, and contrast it with the actual expenditure for the same period. The figures are these, viz. :—

<i>Estimated Expenditure for 1866-7.</i>		£
Civil List	... ..	27,500
Permanent Charges	... ..	266,889
Government House and Domains	... ..	7,138
Public Departments	... ..	36,560
Law and Justice	... ..	64,843
Postal	... ..	143,150
Native	... ..	29,986
Customs	... ..	46,320
Miscellaneous	... ..	30,922
Defence	... ..	70,000
Supplementary	... ..	15,000
Total proposed Appropriations for Colonial and Provincial Services		738,308
Payments to Provinces	... ..	318,750
		£1,057,058

<i>Actual Expenditure, 1866-7.</i>		£	s.	d.
Civil List	... ..	27,500	0	0
Permanent Charges	... ..	282,472	4	5
Government Houses and Domains	... ..	2,846	18	5
Public Departments	... ..	42,567	16	2
Law and Justice	... ..	59,409	16	8
Postal	... ..	122,435	11	6
Native	... ..	23,751	4	0
Customs	... ..	40,894	7	7
Miscellaneous	... ..	35,554	13	4
Defence	... ..	71,436	18	3
Supplementary (refunds of Revenue)	... ..	9,229	17	9
Payments to Provinces	... ..	320,368	5	10
Unauthorized Sundry Expenditure	... ..	6,558	18	4
Payments to Provinces, June, 1866	... ..	18,356	5	10
		£1,063,382	18	1