

1901.  
NEW ZEALAND.

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# FINANCIAL STATEMENT

*(In Committee of Supply, 16th August, 1901.)*

BY THE COLONIAL TREASURER, THE RIGHT HON. R. J. SEDDON.

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MR. GUINNESS,—

The people, and especially honourable members, are naturally anxious at any time to have the Financial Statement, and this, my sixth Budget, is, owing to various causes, awaited with more than passing interest. In this, as in other preceding Statements, I will without reservation endeavour to place the finances of the colony before members in such a way that all may understand the National Account.

The revenue received last year exceeded my most sanguine expectations. Notwithstanding the remissions granted in Customs duties, railway freights, passenger-fares, and the reduction in postal rates by giving the penny postage, there was a pleasant surprise in store, for, after meeting all current obligations, there was a balance on the credit side amounting to £532,564.

The pessimistic criticism of our finance during the last few weeks has almost verged upon the ludicrous, and thereby a feeling has been raised in the public mind that additional taxation was imperative. The financial hotch-potch created by some of the critics in mixing the ordinary revenue with the loan account proves gross ignorance, and the necessity for a better education in respect to public finance; whilst the great ingenuity and industry displayed in endeavouring to prove that this year the balance must be on the wrong side of the ledger may be appreciated by the few who desired such a contingency. I am glad to say that the few must be disappointed and the many pleased, for it is certain that the revenue this year more than meets the expenditure, and that there will be no deficit.

It has been stated in several newspapers that it is proposed to meet the estimated deficiency in part by an additional land-tax, and also by some slight rearrangement of the Customs. It was further alleged that some stringency has occurred in the finances through the claims for old-age pensions being much more numerous than was anticipated, and our detractors have even gone the length of cabling this nonsense to the London journals. The credence given to the imagination of the penny-a-liner should not be found fault with by me, for, with a patriotism that does them infinite credit—which as Colonial Treasurer I very much appreciate—merchants have risen to the occasion, cleared kerosene, sugar, and tea, with the result that the Customs revenue this month is buoyant in the extreme, and contrasts very favourably with the same month of last year.

The only possible foundation that could give rise to what appeared in certain papers was a statement made by me warning a deputation of members and other gentlemen against pressing for an excessive public-works expenditure, thereby entailing borrowing and squandering. Incidentally I stated that the revenue returns, as furnished by the departments, did not warrant the suggested expenditure, and that this caused me some anxiety.

Again, in respect to the increase of the graduated land-tax, I stated in the House some weeks ago that if the Government was to keep the pledge given last year in granting the reduction of  $\frac{1}{4}$ d. in the pound on the mortgage-tax, the graduated tax on land would require to be increased so as to yield an amount equal to that conceded by way of reduced mortgage-tax; and, after carefully reviewing the position, I now find that the views expressed have been verified, for a reduction in revenue to the extent of £25,000 could not prudently be granted unless otherwise recouped.

The announcement that revenue cannot be given away without a necessary recoupment will very naturally and properly lead to the conclusion that revenue and expenditure are fairly evenly balanced. This conclusion is correct; but it is owing to the inclusion of nearly £120,000 of abnormal and non-recurring expenditure this year, and to the increase in the Education and Technical Education Votes, which are in excess of those of last year by no less than £67,000; also, to an increase in the vote for the Colonial Secretary's Department, which exceeds the vote of last year by £69,300, caused by extraordinary services. The vote for Defence, including the capitation payable to our Volunteers, is also largely increased owing to the number of Volunteer corps being more than doubled. Even with these exceptional demands upon our resources there will be sufficient to meet every requirement, and at the risk of disappointing the pessimistic alarmists I am able to announce that there will be no deficit, but a reasonable surplus.

It is well, however, that I should, in respect to the expenditure, urge the absolute necessity for prudence and economy, for, although the revenue is buoyant and increasing, yet, owing to reductions in the Customs tariff, the concession of penny postage, remissions in railway charges, and other concessions, there is this year, as compared with last year, a decrease of only £9,500; correspondingly there should be a jealously guarded expenditure, for a restricted population can only bear a limited and reasonable impost of taxation.

Luckily for this colony all our eggs are not in one basket, and the curtailed spending-power owing to the low price of wool is counterbalanced to some extent by the prices ranging for other of our staple products.

With a surplus of over half a million last year, and the continued favourable revenue coming in this year, there seemed every prospect that the desire of Ministers to grant concession of taxation and reduced rates on products carried on our railways would be consummated; but in the face of the necessarily increased expenditure this year the more prudent course is to defer any further reduction in revenue to a more favourable opportunity, and the national expenditure should be cut down to the lowest limit consistent with efficiency after providing for the necessary requirements.

The eager and pressing desire for the rapid construction of public works and conveniences has forced borrowing up to a limit beyond which it would not be safe to go. There need be no curtailment of expenditure in respect to obtaining lands for settlement or for roading back blocks and Crown land, which so materially assists in furthering the settlement of the people on the land, or in respect to advancing moneys to settlers, or in pushing on the North Island Main Trunk and other important railways, and in otherwise developing, within reasonable limits, the resources of our colony, for this means increasing the output of products and exports, and tends to promote an increased population, which the colony badly needs.

In respect to the expenditure on several classes of public works, district railways, and especially buildings and works which are more a matter of convenience than of necessity, prudence demands that there should be a reduction in the

expenditure thereon, especially seeing that our population is so slowly increasing, for it should be borne in mind that the increased ratio of population is much below that of the increased ordinary expenditure. For every million borrowed and expended on non-revenue-producing works and objects, an annual charge of about 10d. a head is entailed upon every European man, woman, and child in the colony.

Coming to the demands upon the consolidated revenue, the several services of the colony have necessarily increased, and the strictest economy is necessary; for if ever the time arrives when increased taxation is required to meet the ordinary expenditure, so surely will reductions in salaries eventuate. To avoid the contingency, and the injustice which arose in the past, it is well for those having responsibility to do their utmost to keep down expenditure.

In the Budget last year I stated that thereafter the aid to Public Works Fund from the surplus in the Consolidated Fund would have to be partially, if not wholly, abandoned. The Public Works requirements of this year are, however, so large that I am compelled to use £500,000 of the surplus, and that amount will be transferred accordingly.

I regret again to have to state that, from various causes well known to members, the money-market in London continues to be unfavourable to floating loans, and we have had recourse to raising £500,000 locally on short-dated debentures bearing 4 per cent. interest. Full particulars of the floating of this local loan will be given.

Recently a paragraph appeared in the Press something to this effect: "The needs of the Treasury were so urgent that £100,000 was borrowed from a leading life-assurance society at 4 per cent., with a condition that the interest would be paid at head office in Sydney." The facts are that the prospectus of the £500,000 local loan raised in April last provided for interest being made payable in New Zealand, Australia, and London. Some time after this loan had been closed the society in question asked the Government if it would accept an investment of £100,000; and, seeing that at the time we were selling debentures openly over the counter on terms as to interest similar to those above referred to, we naturally obliged the society and accepted their money. Other institutions and private individuals have also been glad to avail themselves of this further opportunity to invest their money in short-currency security carrying a fair rate of interest.

The war in South Africa still continues, and the large Imperial loans and other demands upon the London money-market lead me to the conclusion that it will be some little time ere any loan could with advantage be floated in the Mother-country. It becomes necessary, therefore, that a large proportion of the amount required and authorised should be raised locally; and, this being the case, there should be a careful public-works expenditure until a favourable opportunity for raising the money in London arrives.

In accordance with the provisions of the Public Revenues Act, statements have already been published in the *New Zealand Gazette* showing the receipts and expenditure in the Consolidated Revenue and Public Works and other Accounts. As upon former occasions, tables will be attached to my Budget giving a variety of information concerning the transactions of the last financial year. Having given a general summary of the situation, which, viewed in the light of the elasticity of our resources, is, if anything, on the side of caution, I will now proceed to give the details of the receipts and expenditure of last year.

#### FINANCES OF 1900-1901.

##### REVENUE.

The actual revenue for the past financial year reached £5,852,705, to which has to be added £52,800 derived from the proceeds of sale of debentures for Sinking Fund accretions, and a small sum of £1,411 recovered in connection with expenditure of the previous year. These amounts reach the large total of £5,906,916, or not very far short of six millions of money, and represent the largest volume of receipts into the colonial Exchequer since its foundation.

Compared with the revenue proper of the previous year (1899–1900), which amounted to £5,580,385, there is an excess of £272,320, of which £73,295 was derived from Customs, £43,036 from Stamps, £45,936 from the Land- and Income-tax, £99,028 from Railways. Other items of revenue produced a net increase of £11,025. These figures conclusively prove the wonderful progress the colony has made without any undue pressure upon the taxpayer to contribute to its revenue. Turning now to a comparison of results between the estimated and the actual revenue for the year ended 31st March last, I find that my estimate has been exceeded by the sum of £429,516. Under all the heads of revenue except one the estimates have been exceeded. The following are the figures: Under Customs, £157,861; Stamps, £48,935; Land- and Income-tax, £43,393; Beer Duty, £2,170; Railways, £146,241; Marine, £3,353; Miscellaneous, £2,411; Territorial, £30,203; and Recoveries, £1,411. Under the head of Registration and other Fees the revenue was £6,462 less than was expected. A word or two of explanation of these increases may be necessary. First, as to the Customs revenue—which I have mentioned as being £73,295 more than the previous year, and £157,861 in excess of my estimate—I may remark that in my estimate for the year I took off nearly £85,000 from the actual receipts of the previous year so as to provide against the anticipated loss arising out of concessions which I had stated in my Budget would probably reach £157,000. In spite, however, of the reduction of duty made on leading lines of goods, there has been an extraordinary clearing of other lines untouched by tariff alterations, which have resulted in large increases of revenue. Take, for instance, duty on “Spirits,” increased by £22,800; “Tobacco,” £15,800; “Cigars” and “Cigarettes,” £9,100; “Sugar,” £3,500; “*Ad Valorem* Goods” and other items, £98,000. These items, which are mainly luxuries, may be taken as clearly demonstrating the increased earning-power of our colonists, and the prosperity which arises therefrom. It is quite likely that the visit of their Royal Highnesses the Duke and Duchess of Cornwall and York to some extent inflated the figures connected with the *ad valorem* duties. At all the gatherings to welcome our future King, I was impressed with the appearance of thorough content and prosperity which was exhibited by the vast crowds assembled to do honour to the Duke and his amiable wife the Duchess.

Last year the stamp-revenue increase of nearly £49,000 over the estimate was caused by anticipating a reduction of £20,000 from the penny-postage concession which in reality did not take place, the sales of the new stamps making good any loss arising from the reduced rate, while the “dredging” boom is, I think, responsible for a large increase in the sale of adhesive stamps. Impressed-stamps sales, and the bank composition, were considerably increased over the estimates.

The concession made by my worthy colleague the Postmaster-General has given universal satisfaction; and I feel sure the loss to the revenue by the adoption of an universal penny postage will be rapidly made good by increased correspondence.

Concerning the increase over the estimate of £43,000 in the Land- and Income-tax, I may mention that the land-tax was within £500 of my expectations, and the income-tax exceeded them by nearly £43,000.

The Railways revenue has produced a very handsome surplus over my colleague's estimate, which was the exceedingly high one of £1,574,400. The passenger traffic and the goods carried continue to be maintained, and afford a sure barometer of the substantial prosperity of our colonists and of the development of our industries.

The increase over the estimate of £30,000 in Territorial Revenue arises from land sales for cash, £18,000; and from rents of pastoral runs and miscellaneous items altogether amounting to £12,000. With regard to the item of £6,400 overestimated under Registration and other Fees, I find that I was over-sanguine as to the fees to be received under “The Government Valuation of Land Act, 1896”: these fell short of my estimate by about £6,000.

## EXPENDITURE.

The actual expenditure during 1900–1901 was £5,479,703. Similar expenditure during the preceding year totalled £5,140,127, showing an increased cost of £339,576 during last year. The permanent appropriations are answerable for nearly £50,000, of which the Old-age Pensions contributed an extra cost of £39,500, and Subsidies to Local Bodies £7,500. With increased revenue increased expenditure may be expected, and it is therefore not surprising to find that the departmental expenditure was in excess of that of the previous year by £289,670 under the annual appropriations. The increased expenditure on Railways amounted to £105,500; on Defence, £64,400. The Post and Telegraph services cost an extra £27,700, and the Miscellaneous vote of the Colonial Secretary's Department is mainly answerable for the increased expenditure of £18,500, in Class II., Colonial Secretary. It may, I think, be broadly stated that in the other departments of the State the expenditure has been increased so as to keep in line with the increased requirements of our colonists, and to provide for the expenditure which our liberal legislation sanctions for the good of the people, be they rich or poor. Comparing the actual expenditure of the year with the estimates, members will find from the table appended to my Budget that the expenditure was less than estimated in some directions to the extent of £206,940, while in others it exceeded the estimate by £113,350. Of the latter amount the Railways were answerable for £75,500, and Services not provided for, £25,500. The net saving in the expenditure, as compared with the estimate, was £93,590.

## RESULT.

The revenue for the year was £5,906,916, and the ordinary expenditure £5,479,703, leaving a balance of £427,213. Out of the balance brought forward from the previous year (1899–1900) of £605,351, a transfer of £500,000 was made to the Public Works Fund, leaving £105,351 to be added to the results of the year's transactions, producing at the close of the year a balance amounting to £532,564, which I indicated in my introductory remarks. I feel sure honourable members will join with me in congratulating the colony upon such a successful result.

## THE PUBLIC WORKS FUND.

The transactions on both sides of the account of the Public Works Fund were largely increased last year. The ordinary expenditure exceeded that of the previous year by £315,000, and necessarily extra funds had to be found. To provide for the expenditure the balance of the loan of 1899, amounting to £700,000, was raised, also £200,000 under the Act of last session. The total figures, as shown in the accounts which are appended, are, receipts, £1,901,787, and expenditure £1,809,021. The balance brought forward was £139,749, and the balance at the end of the past year amounted to £232,515.

## LOANS TO LOCAL BODIES ACCOUNT.

The balance at credit of the Loans to Local Bodies Account on 31st March, 1900, was £20,593. Debentures for £176,000 were created and issued during the past year, and refunds of unspent balances of grants, together with a payment made in reduction of the inscribed debt, were received, amounting in all to £7,726. Payments on account of loans were made during the year—to local bodies, £138,956, and towards opening up blocks of land for settlement, £37,390: leaving at the end of last year a balance of £27,973 to the credit of the account.

Up to the 31st March last the total amount of debentures created and issued and carried into this account was £1,530,900, and the total disbursements have been—to local bodies, £1,138,497; to Lands and Survey Department, towards opening up blocks of land for settlement, £282,356; and to Public Works Fund, £89,800, in exchange for debentures under "The Roads and Bridges Construction Act, 1882."

The business connected with the granting of loans to local bodies still continues to considerably increase, the payments during last year being more

than double those of the preceding year, and the largest amount that has been advanced since the commencement of the Act. This is no doubt attributable to the fact that late legislation has granted greater facilities whereby local bodies can obtain assistance. "The Government Loans to Local Bodies Act Amendment Act, 1898," which was specially framed for the purposes of providing for irrigation, water-supply, &c., has been largely availed of, and in consequence there has been corresponding increase in the amount of loans made.

The Public Health Act and the Slaughtering and Inspection Act of last session permit of loans being granted for sanitary works, and for the erection of abattoirs. Applications under these Acts are now being received.

By "The Government Loans to Local Bodies Act Amendment Act, 1900," the rate of interest on loans was reduced from 5 to  $4\frac{1}{2}$  per cent. per annum; local bodies also being able to readjust their loans to even lower rates—namely, 4 and  $3\frac{1}{2}$  per cent. per annum—upon correspondingly extending the currency of their loans.

Of the total inscribed debt of local bodies, amounting to £1,222,234, the following figures will show what a great advantage the Amendment Acts of 1899 and 1900 have proved to local bodies, and to what extent they have availed themselves of the opportunity of reducing their rate of interest:—

Amount of loans reduced to $4\frac{1}{2}$ per cent.	...	...	...	£874,443
" " 4 "	...	...	...	12,634
" " $3\frac{1}{2}$ "	...	...	...	335,157
				£1,222,234

I am pleased to be enabled to report that the payments of the half-yearly instalments of interest on the inscribed debts continue to be fully and punctually paid.

#### LAND-TAX AND INCOME-TAX.

The proceeds of the land-tax only exceeded those of the preceding year by about £1,000, the department having been unable from a defect in the Valuation Act to place the increased valuations upon the rolls for last year. The income-tax receipts, however, brought up the revenue from direct taxation to an amount which it has never before reached, affording evidence of unexampled prosperity in the colony generally, as well as careful departmental administration. When I inform honourable members that during the nine years the income-tax has been in force the number of taxpayers has more than doubled, and the revenue has increased by £106,000 a year, the result must be considered satisfactory.

A careful revision of the land-values of the colony is now in progress, but it will take some time yet to complete this work. The result so far is a net increase of the capital value of £8,390,000, and of the unimproved value of £6,375,000. The gain to the land-tax revenue this year I estimate at £10,000, and I see no reason, notwithstanding the unfortunately low price of wool, why the land-tax should not increase year by year in sympathy with other heads of revenue until at all events the whole revision of the valuations has been completed.

#### THE LAND FOR SETTLEMENTS ACCOUNT.

The balance brought forward amounted to £53,389, and by the sale of debentures under "The Land for Settlements Consolidation Act, 1900," funds were obtained to the amount of £219,000. Rents and other moneys came into the account to the extent of £72,796. On the other side the purchase-money for the acquirement of estates totalled £186,621, interest on debentures amounted to £50,910, and expenses to £14,305. The balance of the account at the close of the year was £93,349.

The purchase of land for close settlement is being vigorously pushed forward, and it is pleasing to know that the estates which have been hitherto purchased have been satisfactorily settled. During the last year approximately 177 farms were provided and about 170 workmen's homes. The following table gives the

names of the provincial districts in which the land during the year has been purchased, the acreage, and the prices paid therefor:—

	Acres.	Price. £
Hawke's Bay,—		
Hatuma ... ..	26,350	141,618
Mangatoro ... ..	19,550	87,975
Wellington,—		
Langdale ... ..	9,406	30,669
Mangawhata ... ..	1,226	16,129
Maungaraki ... ..	423	3,000
Epuni ... ..	103	9,146
Marlborough,—		
Waipapa ... ..	3,600	8,250
Canterbury,—		
Lyndon ... ..	4,243	15,750
Kohika ... ..	3,864	28,093
Raincliff ... ..	745	2,424
Taranaki ... ..	32	2,858
Pukaka ... ..	39	981
Mrs. Delargy ... ..	100	300
Otago,—		
Earnsclough ... ..	1,152	3,000
Total	70,833	£350,193

#### THE PUBLIC DEBT.

The gross public debt on the 31st March, 1900, was £47,874,452; on the 31st March, 1901, it was £49,591,245, or an increase of £1,716,793 for the year.

The net public debt on the 31st March last was £48,557,751, showing £1,627,675 of net increase for the debt during the year.

Analysing the above-stated increase, I find that, as I have before mentioned, £900,000 of new loan-money has been raised for the Public Works Fund, consisting of £700,000 under "The Aid to Public Works and Land Settlement Act, 1899," and £200,000 under the similar loan Act of last session. The requirements of the Advances to Settlers Office necessitated our raising £380,000; and for the purchase of estates for close settlement we obtained £219,000. To enable grants to be made to local authorities £176,000 had to be borrowed, and further sums of £1,781 and £2,000 for dairy industries and the Government Accident Insurance respectively. £17,902 was deposited in New Zealand Consols, and £52,800, representing debentures for accretions of sinking funds, were disposed of, as also £18,000 of 3-per-cent. inscribed stock. On the other hand £50,400 5-per-cent. debentures were paid off under "The Consolidated Loan Act, 1867," and £290 under "The Naval and Military Settlers' and Volunteers' Land Act, 1892."

With respect to the interest upon nearly £800,000 of the moneys raised last year, it is right to mention that no burden will be imposed upon the taxpayers, such interest being recouped according to the conditions under which the loans have been applied, so that these loans are virtually self-supporting. With regard to the balance, it is impossible to assist our settlers in developing our country without providing them with roads and bridges, and to provide for such expenditure it is essential that moneys shall be found out of loan. By the same means only can our railways system be extended, and effect be given to the wishes of honourable members and the people with regard to a vigorous prosecution towards the completion of our main lines.

During the year £509,500 of debentures under "The Government Loans to Local Bodies Act, 1886," fell due, and were renewed under the provisions of "The Consolidated Stock Act, 1884."

The Bank of New Zealand having paid £500,000, the value of its preferred shares, that amount was handed over to the Public Trustee, and by him invested

in a like amount of debentures under "The Aid to Public Works and Land Settlement Act, 1899," held at the time by the Bank of New Zealand as security for advances made under the said loan. I observe that only two parcels of debentures will have to be provided for during the current year—namely, £250,000 under "The Aid to Public Works and Land Settlement Act, 1896," and £300,000 under the Land for Settlements Acts, 1894 and 1897. The former parcel is held by the Post Office, and can be renewed, and the latter was a London issue convertible into 3-per-cent. inscribed stock.

#### OUR RECENT £500,000-LOAN FLOTATION.

Our financial advisers in London having reported unfavourably of the state of the money-market, and that a very low figure would be obtained for a 3-per-cent. loan, it was determined to tap our own resources. I am pleased to say the result more than justified this action, as the recent flotation proved a complete success. The amount to be subscribed was £500,000, authorised by "The Aid to Public Works and Land Settlement Act, 1900." It was decided to make the issue at 4 per cent., with the price fixed at par. The loan was freely advertised throughout the colony, and also in Melbourne and Sydney. Tenders were opened on the 23rd April last, and it was found that the amount applied for was £861,300, represented by 126 tenders. The average price offered was £100 1s. 6d., the highest tender over par being at £102, and the lowest £100 0s. 6d. 112 tenders received allotment—62 over par, and 50 at par. The average price over par yielded £100 6s. 7d. The allotment was made so as to embrace the largest number of small tenders and to encourage *bonâ fide* investors. No less than 98 tenders have been accepted for sums of £5,000 and under—namely, 19 tenders for £200 and under, 9 from £200 to £400, 25 from £400 to £600, 5 from £600 to £800, 15 from £800 to £1,000, and 25 from £1,000 to £5,000. The remaining 14 tenders were in sums from £8,000 to £100,000. Australia received 29 allotments, in sums ranging from £200 to £50,000, and, with the exception of one tender, at premiums of from 1s. to 16s. over par. The offer to make interest and principal payable either in Sydney, Melbourne, or London certainly induced offers for investment of moneys which we should otherwise not have received, and the action has been favourably commented on in leading financial journals. No fees for brokerage were paid; the expenses have been very light, rather less than  $\frac{3}{8}$  per cent., consisting only of advertising, and commission to the bank for transmission of money from Australia to Wellington. An allowance at the rate of  $1\frac{1}{2}$  per cent. per annum was made to tenderers who chose to pay their final instalment before the due date. £43,312 was forwarded as a deposit by would-be investors, and of this sum £18,035 was returned to tenderers who were unsuccessful. Sixty-nine investors availed themselves of the discount allowed on payments made in full prior to due date of last instalment, and £345,459 was received under this condition, and £223 was allowed for discount. On the 7th May last, the date of the first instalment, £61,605 was received; and on the date of the last instalment (4th June), £67,949 was paid in to complete the half-million subscribed. To complete the security required by the investors, 1,658 debentures have been printed. The local emission has proved a very great success, and, although the rate is high in comparison with late issues, the expenses have been so small that I think we may consider we have got our money nearly, if not quite, as cheaply as, under present conditions, a 3-per-cent. loan could have been obtained. The currency is short, running only until 1st April, 1904.

#### COMPARATIVE STATEMENT, 1890-91 TO 1900-1901.

There has been considerable adverse criticism, and assertions have been made to the effect that there has been undue increase in the expenditure during the last ten years. It is quite true that there has been a largely increased expenditure, and that necessarily so, for we have a largely increased population,



and also a greatly increased revenue. We have now also in existence departments of State which were in 1891 unknown, and many of them unthought-of at the time.

## TOTAL EXPENDITURE AND REVENUE.

1890-91.		1900-01.		1900-01.	
Total Expenditure.		Total Expenditure.		Total Increased Expenditure.	
£4,291,215		£5,479,703		£1,188,488	
1890-91.		1900-01.		1900-01.	
Total Revenue.		Total Revenue.		Total Increased Revenue.	
£4,158,774		£5,852,706		£1,693,932	

Turning to the revenue-earning departments of State, it will be seen from the following table (compiled from returns furnished by the several departments concerned) that, whilst there has been an increased expenditure, there have also been increased earnings and increased profits :—

## REVENUE AND EXPENDITURE, 1891-1901.

## GOVERNMENT RAILWAY DEPARTMENT.

1890-91.		1900-01.		1900-01.	
Expenditure.	Earnings.	Expenditure.	Earnings.	Increased Expenditure.	Increased Revenue.
£700,703 ...	£1,121,701	£1,127,847 ...	£1,727,236	£427,144 ...	£605,535
Percentage on cost, 1890-91, £2 18s. 11d.		Percentage on cost, 1900-01, £3 9s. 8d., opened lines.		£3 5s. 9d., opened and unopened.	
" " £2 14s. 10d.		" " " "		" " " "	

## GOVERNMENT RAILWAYS WHEN TAKEN OVER FROM COMMISSIONERS.

1895.		1900-01.		1900-01.	
Expenditure.	Earnings.	Expenditure.	Earnings.	Increased Expenditure.	Increased Revenue.
£732,160 ...	£1,150,851	£1,127,847 ...	£1,727,236	£395,687 ...	£576,385
Percentage on cost, 1895, £2 14s. 6d.		Percentage on cost, 1900-01, £3 9s. 8d., opened lines.		£3 5s. 9d., opened and unopened.	
" " £2 11s. 10d.		" " " "		" " " "	

## POSTAL AND TELEGRAPH DEPARTMENT.

1890-91.		1900-01.		1900-01.	
Expenditure.	Revenue.	Expenditure.	Revenue.	Increased Expenditure.	Increased Revenue.
£261,285 ...	£334,669	£416,364 ...	£503,181	£155,079 ...	£168,512

## STAMP DEPARTMENT.

1890-91.		1900-01.		1900-01.	
Expenditure.	Revenue.	Expenditure.	Revenue.	Increased Expenditure.	Increased Revenue.
£4,659 ...	£565,784	£8,925 ...	£792,943	£4,266 ..	£227,159

## CUSTOMS DEPARTMENT.

1890-91.		1900-01.		1900-01.	
Expenditure.	Revenue.	Expenditure.	Revenue.	Decreased Expenditure.	Increased Revenue.
£33,998 ...	£1,527,207	£33,366 ...	£2,180,862	£632 ...	£653,655

## LANDS DEPARTMENT.

1890-91.		1900-01.		1900-01.	
Expenditure.	Revenue.	Expenditure.	Revenue.	Increased Expenditure.	Increased Revenue.
£92,614 ...	£350,551	£137,565 ...	£431,338	£44,951 ...	£80,787

Land sold for cash, 1890-91, £111,157. Land sold for cash, 1900-01, £78,794.

## TAXING DEPARTMENT.

1890-91.		1900-01.		1900-01.	
Expenditure.	Revenue.	Expenditure.	Revenue.	Increased Expenditure.	Increased Revenue.
£7,081 ...	£357,348	£19,031 ..	£468,392	£11,950 ...	£111,044

## REVENUES RECEIVED 1891 TO 1900-01.

It will be interesting and remove misgiving if in simple form the revenues received through the principal revenue-producing departments of the State during the year 1891 and the year 1901 are placed before members. The following table gives the actual receipts for each year respectively:—

	1890-1891.	1900-01.	Increase.	Decrease.
Customs ...	1,527,207	2,180,862	653,655	...
Stamps ...	631,191	903,935	272,744	...
Property-tax ...	357,348	...	111,045	...
Land- and Income-tax ...	...	468,393	...	...
Beer duty ...	58,072	85,171	27,099	...
Railways ...	1,123,322	1,720,641	597,319	...
Registration and other fees	41,495	67,537	26,042	...
Marine ...	20,583	29,553	8,970	...
Miscellaneous ...	49,004	126,411	77,407	...
Territorial ...	350,552	270,203	...	80,349
			1,774,281	80,349
			80,349	...
<b>Totals ...</b>	<b>4,158,774</b>	<b>5,852,706</b>	<b>1,693,932</b>	

## POPULATION.

## ARRIVALS, DEPARTURES, BIRTHS, DEATHS.

In my introductory remarks I expressed the opinion that the colony was in need of an increased population. The latest census of the people proved that during the last five years our population had been, relatively to the previous five years—that is, from 1891 to 1896—actually decreased in number by 7,366 persons. The opinion of the late Hon. John Ballance, as expressed in his Budget in 1891, may not be out of place, showing as it does the bearing an increased or decreased population has upon the prosperity of the colony. Mr. Ballance said,—

“ I consider it my duty to direct the attention of the Committee to the lesson conveyed by the census returns of the population recently issued. Briefly, the rough results of the census, as shown by enumerators, give a population, subject to revision, of 623,352 persons, not including Maoris, against 578,482 persons in March, 1886, making an increase for the five years of 44,870. But the natural increase for this period, being the excess of births over deaths, is 64,168 persons; so that the loss by excess of departures over arrivals is 19,298.

“ The arrivals recorded in the five years were 73,386, and the departures 83,948, giving a loss of 10,562 persons. It would thus appear that the unrecorded departures amounted to 8,736 persons.

“ The full outgo of population from the colony has evidently not been returned to the Registrar-General in the monthly statements; and it is well known that in the years 1888, 1890, and of late, the steamers for Australia were greatly crowded, owing to a disposition on the part of the floating population to leave—mainly for New South Wales.

“ Now, here is a loss of wealth and wealth-producing power, in the departure of so many people from our shores to seek employment in other colonies, which demands the serious consideration of Parliament.”

The following table gives the arrivals and departures of persons in and from the colony, also births and deaths, and the four census returns for 1886, 1891, 1896, and 1901:—

1891.				1900.			
Arrivals.	...	Departures.	...	Arrivals.	...	Departures.	...
14,431	...	17,629	...	18,074	...	16,243	...
Births	...	...	...	...	...	...	19,546
Deaths	...	...	...	...	...	...	7,200
Excess of births over deaths				...	...	...	12,346
<i>Arrivals from United Kingdom.</i>							
1891	...	...	2,435	1896	...	...	1,956
1892	...	...	2,555	1897	...	...	2,724
1893	...	...	2,929	1898	...	...	2,598
1894	...	...	2,846	1899	...	...	1,918
1895	...	...	2,365	1900	...	...	2,314

CENSUS RETURNS of Population of the North, South, and Stewart Islands, 1886, 1891, 1896, 1901 (excluding Maoris).

		1886.	1891.	Increase.	
				Numerical.	Percentage.
North Island and adjacent islets	...	250,482	281,455	30,973	12·36
South Island and adjacent islets	...	327,592	344,711	17,119	5·22
Stewart Island	...	209	202	Dec. 7	...
				76,751	
North Island and adjacent islets	...	281,455	340,631	59,176	21·03
South Island and adjacent islets	...	344,711	362,236	17,525	5·08
Stewart Island	...	202	252	50	...
				69,385	
Decrease in five years				...	7,366

That is, between 1891 and 1896 there was an increase of 76,751, and between 1896 and 1901 an increase only of 69,385 (the Chatham and Kermadec Islands not included).

#### OUR WORKING RAILWAYS.

The rapid and continued growth of the business of our railways—the principal highways and means of communication between the various parts of the colony—is one of the best indications of the continued healthy and prosperous condition of the colony. The lines were taken over by the Government in January, 1895, and on the 31st March of that year the number of miles of line open for traffic was 1,993, and train-miles run 3,221,620. At the close of the last financial year, 31st March, 1901, the mileage open was 2,212, and the train-miles run 4,620,971. During the year ending 31st March, 1895, the railways carried 3,905,578 passengers, 28,623 season-ticket holders, 444,981 parcels, 750 carriages, 705 drays, 40,890 cattle, 1,519,921 sheep, 43,292 pigs, 36,972 tons of lime, chaff, &c., 85,102 tons firewood, 198,578 tons timber, 388,556 tons grain, 377,938 tons merchandise, 857,917 tons minerals; earned a gross revenue of £1,150,851; and gave employment to 4,957 men. For the year ending 31st March, 1901, they carried 6,243,593 passengers, 82,921 season-ticket holders, 633,770 parcels, 1,336 carriages, 1,566 drays, 72,868 cattle, 2,412,191 sheep, 51,059 pigs, 78,844 tons chaff, lime, &c., 92,830 tons firewood, 380,803 tons timber, 772,571 tons grain, 551,879 tons merchandise, 1,366,241 tons minerals; earned a gross revenue of £1,727,236; and gave employment to 7,793 men.

Thus the traffic for year ending 31st March, 1901, shows an increase over that for year ending 31st March, 1895, of 1,399,351 train-miles, 2,338,015 passengers, 54,298 season tickets, 188,789 parcels, 586 carriages, 861 drays,

31,978 cattle, 892,270 sheep, 7,767 pigs, 1,291,296 tons of goods traffic of various classes, £576,385 in revenue, and 2,836 in the number of men employed.

The actual profit, year ending 31st March, 1901: £599,389, as against £571,533 for previous year.  
Capital cost of railways open for traffic, £17,207,328.  
Profit on working gives £3 9s. 8d., as compared with £3 8s. 5d. for last year.

Taking into consideration the large reductions in passenger and other rates, the increased cost of materials, coal, iron, &c., and the increased wages, this result is eminently satisfactory, and the figures are, I venture to think, an eloquent testimony of the success of State administration of our railways.

Notwithstanding the fact that the increased traffic during the past six years has been of such a phenomenal character, there is every indication that the business for the present financial year will be fully equal to that of the preceding year.

#### RAILWAY CONCESSIONS.

In connection with results of working the railways for last financial year the large concessions in rates granted by the Government since resuming control of the lines should not be lost sight of, as they have a very material effect on the results for the year. The total reductions made since the Government took over the railways amounted, up to last year, to no less than £369,439, and to 31st March, 1901, to £420,239.

The following are principal concessions granted and the estimated value of the reductions for one year:—

Reduction—	£
Live-stock rates ... ..	25,000
Firewood, chaff, and lime...	8,000
Free carriage of lime, butter, eggs, and fish empties ... ..	1,500
Abolition of extra charge of	
One penny per ton on branch lines...	3,000
Agricultural produce ... ..	45,000
Butter and cheese ... ..	5,000
Artificial manures ... ..	1,000
Bricks, clay, coal, &c. ... ..	3,000
General reduction of ordinary passenger and season-ticket rates ...	68,000
Cheap tickets for workers on Auckland, Wellington, Christchurch, and Dunedin suburban lines ... ..	1,600
Concessions to race-horses, polo-ponies, hunters and hounds, returning from races, polo meetings, and hunts ... ..	2,800
Carriage of goods from centres to ports for shipment, dead-weight instead of measurement ... ..	1,100
Total of ... ..	<u>£165,000</u>

In addition to the items enumerated, reductions have from time to time been made on a very large number of articles of every day use carried over the railways. The regulations have been made of a more liberal character than heretofore, train services improved, speeds increased, and additional trains involving an expenditure of many tens of thousands per annum have been provided; and to further meet the convenience of the public, goods and passenger traffic have been separated wherever the volume of business has warranted such a step.

#### NORTH ISLAND MAIN TRUNK RAILWAY.

The central route having been finally determined upon for the North Island Main Trunk Railway, immediate steps were taken to put further work in hand. The formation is now well advanced between Kawakawa and Taumararui, while bushfelling, &c., is in hand south of the Wanganui River. From the south end the works extend nearly to Turangarere, all the important works on this section being fully manned. The erection of the Makohine Viaduct is progressing satisfactorily, notwithstanding that the work has been retarded by continued bad weather. The viaduct will be completed during the coming summer, and simultaneously the railway will be opened to Mangaweka.

The amount voted last session was sufficient to cover the requirements for the year, but an increased amount will be necessary for the coming year.

## MIDLAND RAILWAY.

In accordance with the resolution passed by the Public Accounts Committee last session, a Royal Commission was appointed, and, after a very exhaustive inquiry, has reported, practically, that the company and debenture-holders have been very well treated. They find that the total expenditure by the company on the railway was £1,108,628, of which only £654,411 was expended on the actual construction and equipment of the railway, and the balance—£454,217—on supervision, commission, salaries, cost of raising capital, interest charged to capital account, and incidentals.

The Commission states that the financial charges in connection with the undertaking were enormous in comparison with the work done, and that the sums paid for the debenture interest, shareholders' interest, cost of raising money on debentures, administration, engineering, and law-costs were out of all proportion to the amount expended on construction and equipment. They further report that the selling-value of the whole railway, based on the revenue earned, and allowing for prospective increase for ten years, is £192,833, and that the amount realised by the company from the Government land-grant was £313,060, or £50,195 in excess of the value at which the grant was debited to the company. They also find that the Government provided money towards the construction of the railway to the amount of £38,439.

The Commission were asked to ascertain the selling-value, and, on an assumption as to relative losses, to apportion under the following conditions: "The said lines of railway having been constructed by means of moneys provided partly by the shareholders in the said company, partly by moneys raised upon debentures, and partly by moneys provided by us by our said grants of land and out of our Colonial Treasury, in what proportion should the money value of the said lines of railway, estimated by you as aforesaid, be apportioned among the three said several contributors to the cost of construction?"

The Commissioners on the hypothecial basis that the several contributing parties towards the creation of this asset should share in its distribution rateably, apportioned the selling-value of £192,833 as follows: To the debenture-holders, £126,788; to the company, nil; to the Crown, £66,045.

It will be seen, however, that £654,411 only was expended on the construction and equipment of the line, and of this sum the amounts realised by the company from the Government land-grant formed nearly one-half, whilst taking the selling-value of the line at £192,833, and the amount realised from land-grant at £313,000, it will be found that £120,237 has been provided by the colony in excess of the selling-value of the line.

The petitions of the debenture-holders and of the company, presented last session, should be dealt with this session.

## POST AND TELEGRAPHS.

The Post and Telegraph is one of the most important departments of State, and is inseparably interwoven with the public finance, and is one of the barometers that never fails to disclose the progress of the colony and the condition of the people. In character it is more for the convenience of the people than for revenue-producing purposes, yet notwithstanding the many unpaid services performed it has proved more than self-supporting. Last year the expenditure was £416,363, and the receipts £503,181; this year the expenditure is estimated at £441,214, and the revenue is anticipated to reach £485,800. To show the increased business in connection with the telegraph and telephone services since the year 1890 the following table is submitted for the information of honourable members:—

	1890.	1900.	Increase per Cent.
<b>Telegraph—</b>			
Number ordinary telegrams ...	1,465,992	2,792,871	90·51
Value " " ...	£71,307 15 4	£93,474 14 2	31·09
Number urgent telegrams ...	35,667	154,406	332·91
Value " " ...	£4,749 17 4	£10,251 8 9	115·86
Number Press telegrams ...	192,882	267,919	38·9
Value " " ...	£8,785 7 10	£11,866 19 8	35·08
Number bureau communications ...	39,840	239,432	500·98
Value " " ...	£1,111 4 0	£6,830 10 7	514·85
Total number paid messages ...	1,734,381	3,454,628	99·19
Total value " " ...	£85,954 4 6	£122,423 13 2	42·43
Number Government messages ...	226,780	365,079	60·98
Value " " ...	£26,070 12 7	£37,680 1 2	44·53
Total number messages, all codes ...	1,961,161	3,819,707	94·77
Total value " " " ...	£112,024 17 1	£160,103 14 4	42·92
Number of offices " " " ...	540	977	80·93
Telephone-exchange connections ...	2,592	8,190	215·97
<b>Postal—</b>			
Number of letters and letter-cards posted ...	21,501,937	37,421,228	74·03
Number of post-cards posted ...	991,065	1,858,064	87·5
" newspapers " ...	8,691,522	12,347,374	42·1
" parcels " ...	121,292	199,220	64·2
" post-offices open ...	1,185	1,686	42·36
Total revenue ...	£222,881	£316,202	41·87

## POST-OFFICE SAVINGS-BANKS.

The Post-Office Savings-Banks show a marked increase both in the volume of business and in the total amount at credit of depositors. Last year the excess of deposits (£4,170,428) over withdrawals (£3,827,416) amounted to £343,012 over the previous year, and the interest credited to depositors to £146,169, while the total accumulated savings stood on the 31st December at £5,809,552, an average of £29 8s. 7d. to credit of each of the 197,408 depositors.

Compared with the year ended 31st December, 1890, the increase is almost phenomenal, the total at credit having increased from £2,441,876 to £5,809,552, or at the rate of 137·91 per cent., representing an increase in the average amount at credit of each account of £4 6s. 3d. The interest paid in 1900 was £146,169, as against £92,319 in 1890, an increase equal to 58·33 per cent.

Classifying the accounts, it will be found that those with balances up to £100 increased from 90,115 to 178,405, or 97·97 per cent.; from £100 to £200, from 4,750 to 11,173, or 135·22 per cent.; from £200 to £300, from 1,502 to 5,151, or 242·94 per cent.; and above £300, from 841 to 2,679, or 218·54 per cent. The total number of accounts open increased from 97,208 to 197,408, or 103·08 per cent. Attached is a comparative statement for the years 1890–1900.

## NUMBER OF ACCOUNTS WITH BALANCES.

Year.	Up to £100.	£100 to £200.	£200 to £300.	Above £300.	Total all Classes
1890 ...	90,115	4,750	1,502	841	97,208
1900 ...	178,405	11,173	5,151	2,679	197,408
Increase per cent. of 1900 over 1890	97·97	135·22	242·94	218·54	103·08

	£	s.	d.
Balance at credit of the 97,208 depositors on 31st December, 1890 ...	2,441,876	8	7
Balance at credit of the 197,408 depositors on 31st December, 1900 ...	5,809,552	5	3
Increase per cent. in amount at credit of depositors ...	137·91		
Interest paid depositors, 1890 ...	92,319	0	6
" " " 1900 ...	146,169	2	5
Percentage on increase ...	58·33		

## NATIONAL EDUCATION CAPITATION, AND TEACHERS' SALARIES.

Out of the statutory capitation of £3 15s. per annum on the average attendance, which is paid to the Boards of Education, these Boards have to pay teachers' salaries and allowances, the incidental expenses of School Committees, and their own office expenses, together with the cost of the inspection of schools; receiving, however, an additional grant of £4,000 per annum towards this last item. The circumstances of the various Boards are very different, and it is practically impossible for the Boards of the smaller districts, and even for the larger Boards (such as Auckland) in whose districts small schools are numerous, to pay salaries equal to those paid in districts in which there is a greater number of large schools. The consequent anomalies and irregularities in the salaries of teachers occupying similar positions in different parts of the colony are such as certainly exist in connection with no other department of the public service, and probably in no other class of workers in the colony; yet it cannot be said that the highest salaries are by any means too high. So many issues were involved that it seemed best to appoint a Royal Commission to inquire into the whole question. The report of the Commissioners contains two scales of staffs and salaries for public schools: the first, which involves an expenditure of £4 per head on the average attendance in all the public schools of the colony, is a vast improvement on the existing conditions. The second, which the Commission strongly recommends, is on the basis of £4 2s. 6d. per head: it has the same general features as to staffing and salaries as the first, but the salaries are higher by about £5 all round, except in the smallest schools, where the first scale is already sufficiently liberal; the salaries under the second scale, in fact, would mean, with very few exceptions, a general levelling-up. As to the exceptions, the Commission suggests that for two years no salaries should be lowered, and, as the cost of the concession would be trifling, this suggestion may readily be adopted without interfering with the general scheme.

Since January of the present year, with the £3 15s. statutory capitation and the special vote of 5s. per head, the total payments have been at a rate practically equivalent to a capitation of £4 on the total average attendance. Last year the appropriation for capitation was £398,000; this year £416,200 is required to be voted, which is £18,200 in excess of the amount voted last year. Next year—the finances of the colony permitting, as I believe they will—we hope to be able to provide for the payment of teachers on the second scale recommended.

## MANUAL AND TECHNICAL INSTRUCTION.

The administration of the Manual and Technical Instruction Act of last session has engaged the attention of the Government during the recess. Organizing Inspectors have been appointed, and the regulations required to give effect to the Act have been issued. The terms of these regulations, I believe, are such as to offer a degree of encouragement to manual and technical education as liberal as is offered by the State in any part of the world. The Inspectors have already visited nearly every part of the colony, have met teachers and others interested, giving model lessons and such information and advice as will enable local controlling authorities to begin work on the best lines, or to extend their work where it has been already begun. The Inspectors have also in hand a series of small manuals suggesting suitable programmes of work in manual and technical classes. One of the most satisfactory features of the movement is the degree of interest that is being manifested in regard to the introduction of hand-and-eye training into the schools of the colony. Inasmuch as trained teachers are essential for effective work, special grants have been given to all the Boards of Education to enable them to establish classes for giving manual instruction to teachers. The extension of technical education proper will be sufficiently indicated when I say that since the passing of the Act there have been some forty or fifty applications for grants in aid of buildings, apparatus, and material.

The expenditure under the head of technical instruction, exclusive of grants for building, for the year ending 31st March, 1901, was £2,690; the expenditure

this year may be estimated at £14,000 or £15,000 exclusive of building grants, which last year amounted to £2,178. This year we anticipate an expenditure of £10,000 or £12,000 upon buildings and apparatus. After a few years the grants in aid of buildings and apparatus may be expected to decrease as the need is generally satisfied; while, on the other hand, the grants for capitation and other current items will increase year by year for some time.

#### GOLD-MINING.

Gold-mining generally is steadily progressing, and, although many companies which were floated more for the purpose of collecting calls from shareholders than for the purpose of winning the precious metal have been and are being wiped out of existence, the yield of gold is increasing. The quantity and value exported for the half-year ended 30th June last was 217,478 oz., valued at £844,888, being an increase of 38,175 oz., valued at £150,029, over the first half of the year 1900, and, as compared with the first half of the year 1899, when the quantity of gold exported for the year was 389,558 oz., valued at £1,513,173, being the highest for twenty-six years previously, the export shows an increase of 24,347 oz., value £94,389. It is not unreasonable, therefore, to expect that the yield for the present year will equal, if not exceed, that for the year 1899.

#### RIPARIAN RIGHTS.

The scope of the Commission referred to in last year's Statement as having been set up to inquire and report as to claims for compensation in respect to riparian rights and land affected by dredging in Otago and Southland was extended so as to include all rivers in the Middle Island; and the Commission has now concluded its investigations, resulting in reports having been made on forty-six rivers, of which number six have been proclaimed, and compensation amounting to £5,799 13s. 4d. paid. Notices of application to proclaim twenty-four rivers have been issued, but, as the period of ninety days within which claims for compensation can be received has not expired, the total sum that may be claimed is not yet known. On some of the more important rivers on which agricultural lands will be affected by mining, it is feared the individual claims will be large; but, as in many cases the farmers have disposed of the portions of their holdings fronting rivers and streams for dredging purposes, the compensation-claims will have to be considerably reduced before such rivers or streams are proclaimed.

The question of a fair and equitable settlement between the riparian-right holders and the mining community is beset with many difficulties. If, however, a conciliatory spirit is exhibited on both sides, and with the information before the Government resulting from the inquiries of the Commission, it is expected that in most cases the conflicting interests will be adjusted.

#### STATE COAL-MINES.

The time has arrived when the colony should supply itself with coal. The output at present does not adequately meet the requirements. Private enterprise is not meeting the general and increased demand. The annual consumption of coal for the several branches of the public services amounts to about 115,000 tons. The railways alone require 100,000 tons per year; of this 65,000 tons are hard or bituminous coal. It is estimated that the bituminous coal should be obtained at from 5s. to 7s. 6d. per ton less than we are paying at the present time. For coal delivered for one of the Government steamers at Greymouth we are asked 17s. 6d. a ton, and it is well known that the same coal can be actually, and with profit, put on board at 10s. The inadequate supply and the increasing demand have brought about an undesirable situation. There is a combination of the coal-dealers, and the mine-owners are working in unison with them, the result being that abnormally high prices are charged to the consumers. The effect of opening a State coal-mine will ameliorate, if it does not remove, this evil. In the course of time, and should the necessity therefor arise, we could, in addition to supplying our own State demands, extend the output so as to enable coal to be supplied to householders at reasonable rates.



Another valid reason for the State stepping in is the necessity that exists for having a reserve of coal, at least at the four centres, to meet contingencies that might arise. At the present time the arrival of extra steamers and vessels requiring coal interferes with the ordinary demand, and a coal-famine ensues. We have had several in the last year or two; and that there should be a coal-famine in a country like New Zealand, which is teeming with coal, points to a serious defect, the remedy for which is the opening of a State coal-mine. The House will, this session, be asked to pass the necessary legislation, grant the authority, and provide the means for working a State coal-mine.

#### REDUCTION OF MORTGAGE-TAX.

In my last Budget I stated that "for some considerable time the interest on mortgages has steadily decreased. During the past ten years interest on mortgages has fallen about one-fourth; this makes the penny in the pound on capital value a very heavy tax." I have not altered my opinion, and still consider that the mortgage-tax is too high, and that some relief should be given, provided the finances of the colony permit. Whilst desiring to keep good faith with Parliament, to do so this session would be imprudent, unless the loss of revenue occasioned thereby is recouped.

#### FINANCE OF 1901-1902.

##### EXPENDITURE.

As I have already mentioned, the suggestions for departmental expenditure caused me no little anxiety, for I was confronted with estimates involving what appeared to be at first sight extraordinarily large expenditure. After careful examination and pruning, I am able to submit estimates of expenditure which, although undoubtedly large in the aggregate, have been kept down to the lowest limit after taking into consideration the abnormal and non-recurrent expenditure they contain. The estimates for 1901-1902 are set down at £5,763,814. The actual expenditure of last year amounted to £5,479,703. There is therefore a proposed increase over last year's expenditure of £284,111, and I will, as concisely as possible, run over the various heads of expenditure which cause this large excess. Loans recently raised cause an addition of some £70,000 for interest, while the old-age pensions is answerable for £18,000, which is most of the excess in expenditure under permanent Acts. In the Colonial Secretary's Department the visit of their Royal Highnesses has necessitated provision for £50,000, and £18,000 is required for the census. Exception will not, I feel sure, be taken to the expenditure incurred upon the Royal visit. It was the general desire of the people that the reception and entertaining should be creditable to our colony, befitting the great occasion, and pleasing to our future King and his gracious lady. The increased volume of the business of the Postal and Telegraph Departments has necessitated additional clerical assistance, and with the ordinary increases arising from the classification has added some £15,000 to the postal and telegraph estimates, in addition to a loss of some £7,000 as contributions to the San Francisco service. I have already mentioned the increase in the proposed expenditure for educational services, and shall refer more at length to this subject hereafter. The Department of Agriculture is rapidly growing, and the officers are undoubtedly of great service to the farming community. To meet the extra calls upon the department a good many more skilled officers have been engaged, consequently extra expense incurred; but it must be borne in mind that the department obtains payment for the services rendered in the shape of fees, which are paid into the Consolidated Fund. The increases in other departments are small, and scarcely call for comment. I may again mention that out of the £284,000 of proposed increased expenditure this year (of which £210,000 belongs to the annual appropriations) fully £120,000 arises from exceptional items, which are not likely to be of a recurring character, to which we must add the increased cost of postal and telegraph and educational services, which amount to quite £90,000, and are consequent upon the

progress of our commercial and social surroundings and of our higher civilisation. Thus the excessive expenditure disappears, and I feel sure that members will not complain when the various votes comes to be considered by them.

ESTIMATED EXPENDITURE of the CONSOLIDATED FUND (Revenue Account) for 1901-2, compared with Actual Expenditure of 1900-1.

	Estimate for 1901-2.	Actual of 1900-1.	Differences.	
			Increase.	Decrease.
REVENUE ACCOUNT.				
Civil List .. .. .	£ 33,100	£ 29,173	£ 3,927	£ ..
Interest and Sinking Fund .. .. .	1,819,225	1,745,616	73,609	..
Under special Acts .. .. .	582,155	560,434	21,721	..
	2,434,480	2,335,223	99,257	..
Annual Appropriations,—				
Legislative Departments .. .. .	19,887	25,265	..	5,378
Colonial Secretary's Department .. .. .	185,438	116,138	69,300	..
Colonial Treasurer's Department .. .. .	44,424	39,148	5,276	..
Justice Department .. .. .	129,961	126,436	3,525	..
Postal and Telegraph Department .. .. .	441,214	416,364	24,850	..
Customs and Marine Department .. .. .	89,071	87,038	2,033	..
Stamps and Deeds Department .. .. .	26,879	26,256	623	..
Education Department .. .. .	512,519	445,294	67,225	..
Lunacy and Charitable Department .. .. .	69,170	63,242	5,928	..
Department of Labour .. .. .	7,790	7,978	..	188
Mines Department .. .. .	23,321	17,488	5,833	..
Department of Agriculture .. .. .	91,881	74,876	17,005	..
Working Railways Department .. .. .	1,152,000	1,144,832	7,168	..
Public and School Buildings and Domains .. .. .	46,750	46,851	..	101
Defence Department .. .. .	213,250	206,565	6,685	..
Police Department .. .. .	122,258	117,522	4,736	..
Lands and Survey Department .. .. .	127,130	133,557	..	6,427
Valuation Department .. .. .	25,591	23,580	2,011	..
Rates on Crown lands .. .. .	800	531	269	..
	3,329,334	3,118,961	222,467	12,094
Services not provided for .. .. .	..	25,519	..	25,519
			321,724	37,613
			37,613	
Total .. .. .	5,763,814	5,479,703	284,111	

#### REVENUE.

It is now necessary to review the estimates of revenue, which I have set down at £5,839,000, together with £57,000 receipts to be derived from sale of debentures for Sinking Fund accretions. These two sums total to £5,896,000. Last year the actual receipts amounted to £5,905,506, showing that there is an estimated falling-off of revenue to the amount of £9,506 during this current year. I have no desire to be pessimistic, but one cannot be too cautious while framing the estimates for the year. It is only necessary to look around to see the solid evidence of prosperity which meets the eye; at the same time I have to bear in mind that extraordinary events took place during the last financial year—events which undoubtedly had their effect in augmenting our revenue—events which are not likely to occur again, neither will others of a kindred character take their place: I allude to the visit of the Duke and Duchess of Cornwall and York. The visit of their Royal Highnesses must have caused a vast outlay, spread over the whole community, and much of the expenditure has found its way to the Treasury coffers in the way of duties. On the other hand, we must not lose sight of the effect of the remissions which were made in the tariff in August last. Had it not been for the increased consumption of dutiable goods which has been noticeable for some years past, and for the extraordinary expenditure I have just referred to connected with the Royal visit, there would have been a loss of revenue to the extent of £130,000, and I must still reckon for a loss of Customs revenue in connection with the reduction of duty to the extent of at least £100,000 for the current year. Some portion of this loss will, however, be made good by the increased consumption of articles not affected by the tariff alterations; so I have set down

the estimated Customs revenue at £2,110,000, or £70,862 less than last year's receipts. It may be that this curtailment of revenue will not take place, but it is best to err, if at all, on the safe side. As to the Railways, the returns so far show that the splendid revenue of last year is being not only maintained but is even exceeded. I feel I am therefore justified in anticipating the receipts will reach £1,760,000, or £39,359 in excess of last year. The Stamp revenue remains substantially the same; I estimate this year's receipts at £903,500: last year they reached £903,935. In last year's Budget I estimated there would be a loss of revenue arising from the adoption of the penny postage to the amount of £80,000 per annum; but, owing to the great activity of trade generally, I do not anticipate a greater loss than £24,000 from this source. Recent legislation has done away with the imposition of stamp duty upon Native lands: this will entail a loss of some £4,000. On the other hand there has been a large accession of business in the telegraph branch, and this, with increasing revenue from other sources, will quite counterbalance any loss which may be sustained by the introduction of the penny postage. Compared with last year's results there is an estimated increase of some £10,400 to the land-tax and £1,200 to the income-tax. The increases and decreases in the estimates of the other items of revenue are so small as not to call for remark.

STATEMENT of the ESTIMATED REVENUE of the CONSOLIDATED FUND (Revenue Account) for 1901-2, compared with the Actual Revenue of 1900-1.

	Estimate for 1901-2.	Actual of 1900-1.	Differences.	
			Increase.	Decrease.
	£	£	£	£
REVENUE ACCOUNT.				
Customs .. .. .	2,110,000	2,180,862	..	70,862
Railways .. .. .	1,760,000	1,720,641	39,359	..
Stamps .. .. .	903,500	903,935	..	435
Land-tax .. .. .	305,000	294,584	10,416	..
Income-tax .. .. .	175,000	173,809	1,191	..
Beer Duty .. .. .	86,000	85,171	829	..
Registration and other Fees .. .. .	76,000	67,537	8,463	..
Marine .. .. .	26,200	29,553	..	3,353
Miscellaneous .. .. .	127,300	126,411	889	..
Territorial Revenue .. .. .	270,000	270,203	..	203
	5,889,000	5,852,706	61,147	74,853
Debentures for Sinking Fund increases.. .. .	57,000	52,800	4,200	..
			65,347	65,347
Total .. .. .	5,896,000	5,905,506		9,506

#### ESTIMATED RESULTS AT CLOSE OF 1901-1902.

The revenue being estimated at £5,896,000 and the expenditure at £5,763,814, there remains a balance of £132,186, to which may be added the balance (£32,564) of the surplus brought forward from last year after allowing for £500,000 to be transferred to the Public Works Fund. These figures produce a balance of £164,750, out of which provision for the supplementary estimates has to be made.

#### CROWN TENANTS' REBATE OF RENTS.

Last session the Rebate of Crown Tenants Act was passed. Its working has not been satisfactory, or equitable in its incidence. An amendment of the Act is necessary, and at this juncture it is well to speak plainly, for from facts which have come within my own knowledge it is quite clear that a person taking up bush land, and having little or no capital, cannot pay rent until the land yields a return. There are practically no returns for two years. By that time two years' rent are in arrear, and the yield is not sufficient to maintain the settler and his family. Another two years pass over, and still find him behind in payment of his rent, or, if he has paid the rent, he has probably had to borrow the money for that purpose. Under these circumstances it is much better that the State should insist upon the improvement conditions being strictly complied

with, and allow the tenant to sit rent-free for the first four or five years. After that time the tenant would be in a position to pay the rent, and the anxiety and worry caused under the conditions now existing would be avoided. There is also another point worthy of being taken into consideration—namely, that, although there is a large area of Crown land available for settlement, most of it is inaccessible, and situated a long way from the centres of population, and is not of extra good quality; therefore some inducement is necessary, which, if given, will tend to promote settlement of the people on our Crown lands, and relieve the existing congestion among those who prefer to go upon the lands acquired under the Land for Settlements Act, thus avoiding the hardships which fall to the lot of the pioneer or back-blocks settler.

#### OLD-AGE PENSIONS.

Seeing that the cost of the old-age pensions is alleged to have been a factor in creating the recent unnecessary alarm as to the financial position of the colony, it is well to set the matter at rest, in order to remove the erroneous impressions which have been formed. Last year the amount paid for old-age pensions was £197,292, and this year it is estimated that £215,000 will be sufficient to meet all claims. The increase is therefore £17,708, but with a surplus of over half-a-million last year, and, so far, a buoyant revenue this year, that amount is not likely to materially affect the finances of the colony. The increased expenditure in old-age pensions must, however, not be treated lightly, and a careful supervision is necessary, for there are reasons for believing that imposition is practised and that evasion of the law to some extent prevails. It is well known that it has now become quite a profession for some people to go round hunting up applicants amongst the Native race for the old-age pension, and should such applicants prove successful, these people charge them a high fee for services performed. In view of the large amount now paid, it will not be prudent to press for old-age pensions being made universal, or for any increase in the scale.

#### HELP TO FARMERS AND PRODUCERS.—COOL STORAGE.

The importance and desirability of helping those located on and living directly from the products of the soil is admitted by all. How and in what manner this can best be accomplished is worthy of our best efforts. The establishing of new and increased markets will assist in this direction, and it is essential that the produce for export should be carried at the minimum rates on our railways, and that the cost of transit by sea should be reduced to the lowest limit. With this, however, storage and supervision is required at the distributing end, thus avoiding the forcing of products upon an already glutted market. In respect to exploiting or extending our markets, the trade expert that has been appointed proceeds to South Africa next week. He is fully acquainted with what produce is available, and the prices at which it can be placed f.o.b. for shipment. From the information we have to hand it will be necessary to have cool stores for New Zealand produce established in South Africa. It has also been urged that there is not sufficient storage in the Mother Country for our produce. This opens up a very wide question, and its success or otherwise depends to a great extent as to how far the New Zealand Government proposes to go in for taking control of the frozen meat industry, and as to what amount of support is obtainable within the colony. The erection of cool stores in the Mother Country alone would be of little advantage. If, however, the producers and freezing-companies, in conjunction with the Government, could divert the principal trade to the colony's store and regulate the output in Great Britain, the results would be beneficial. The cold stores should, in any case, be close to point of discharge. Provision will be made this year for erection of cold stores, and, subject to confirmation by our trade expert, the experiment should first be tried in South Africa.

## TRADE WITH SOUTH AFRICA.

It will be within the recollection of honourable members that during the recess Government called for tenders from steamship-owners for a service between the colony and South Africa. The results were not very encouraging, the amount of subsidy demanded being too high for the service offered; and the scale of freights was also unsatisfactory. This being the case, and seeing that the Shaw-Saville, New Zealand Shipping, and Tyser Line Companies had decided to establish a six-weekly service as an experiment, it was decided at the time to take no further action, but to await results. I regret to state there has been little or no improvement, and the condition of affairs is not to any extent improved. Small producers and traders have no chance whatever. Freights, as compared with those from Australia, are very high, and there is no regularity. We have therefore come to the conclusion that to be a success it is essential that a line of steamers trading with South Africa should not go beyond South African ports, but should return to New Zealand; and the authority of the House will be asked to provide the necessary subsidy to authorise a contract being entered into for a period of not less than three years, and to invite public offers therefor. As illustrating the present situation and its drawbacks, I may state that offers were invited for a large order of oats from the Imperial authorities, with the result that offers came in from three large traders only: owing to the conditions farmers or small traders could not tender, and the Government were unable to obtain the oats within the price limited, and the order was probably lost to the colony. Such a condition of affairs is not in the best interests of the farmers. It is impossible for the Government itself to take small parcels of grain from the producers, but an opportunity of obtaining suitable freights should be given them to conduct their business as they think best.

## OUR BOYS AT THE FRONT: RETURNED TROOPERS.

It will be seen on reference to the Defence estimates that there is a large reduction this year as compared with the amount voted last year under the head of "Contingents." The cost of the First, Second, and Third Contingents was borne by the New Zealand Government, with the exception of the amount paid to them at Imperial rates whilst serving in South Africa. The Fourth and Fifth Contingents were on different terms, and were wholly paid by the Imperial Government. The First, Second, Third, Fourth, and Fifth Contingents have returned home. At the present time we have two contingents in South Africa—the Sixth and Seventh. They have taken the place of the Fourth and Fifth. It would be superfluous for me to say more than that our brave sons have worthily represented this colony, and have earned the commendation of each and every one of those commanding in South Africa. An attempt has been made, without just ground, to show that prompt payment has not been made to the returned troopers. There is no real foundation for this statement whatever. The Fourth and Fifth Contingents were practically Imperial soldiers. On leaving South Africa certain moneys were given to paymasters, and, on the arrival of the "Tagus" in Otago, we sent down our paymasters with about £800 for the officer commanding the Otago District, Colonel Webb, and since then other moneys have been forwarded, with instructions to pay the men on the officer commanding certifying that the amounts were due. At the present time Colonel Davies and his staff are making out accounts, and as fast as certificates are obtainable the moneys are paid. We have already advanced over £3,000. What has caused some confusion has been the fact that some of the men were not paid by the Imperial authorities before leaving South Africa. We are only trustees acting on behalf of the Imperial authorities; we cannot pay away moneys unless the certificates are forthcoming that the amounts are due. I have it on the authority of Captain Jackson, who was in charge of the D Squadron of the Fifth Contingent, that he brought money with him from South Africa, and that he has paid all his men. To show how unjust the allegations made are, I will give a case in point. A trooper got one of the members of the House to interest himself on his (the trooper's) behalf, and the trooper telegraphed to know when his pay would be

forthcoming. I had the matter immediately attended to, and found there were a couple of pounds coming to him, and had it not been for the extension of the £5 gratuity the man would have been overpaid about £3. The Under-Secretary for Defence has never refused any advance where it is shown that the money is due, and a special staff are kept busy at the present time doing nothing else but paying advances; and we have advanced about £3,000 in excess of the moneys in our hands belonging to the Imperial Government. To show how ludicrous and foolish is the statement which has appeared to the effect that it was owing to the tightness of the New Zealand finances that our boys were not paid, it will be well for me to state that the total amount involved is about £20,000. Already we have advanced £3,000, and an application has been made to the Imperial authorities for the amount due by them. In the meantime we have advanced about £3,000, as already stated, and as fast as certificates are given payments are made; and this course will be followed without, I am happy to say, embarrassing our finances.

#### FEDERATION WITH AUSTRALIA.

As honourable members are aware, a short time ago a Royal Commission was appointed to take evidence in New Zealand and Australia in regard to the federation of this colony with Australia, and this was reported to be undesirable and not at present in accordance with the wishes of the people of this colony. The tariff of the Commonwealth has not as yet been submitted; but, inasmuch as some eight million pounds is required to meet revenue requirements, it may be taken for granted that there will not be any serious alterations in the Australian tariffs, nor is it likely that the Federal tariff will materially affect the trade relationship as between New Zealand and the Commonwealth. A cordial and friendly feeling exists between this colony and the Commonwealth, and there is no foundation for the fears of many that, because New Zealand has not deemed it prudent to federate, the farmers of this colony will in sending their products to Australia be penalised.

#### BRITISH MAIL-SERVICES.

In accordance with what was approved last session, nothing further has been done respecting the San Francisco service, and we are, as arranged, paying for actual weight of mail-matter carried, the amount paid last year being about £17,000. The Oceanic Company are anxious that a contract should be entered into for a specified period, and the matter is receiving consideration. The subsidy asked, however, is much higher than would be reasonable for the colony to pay. Whilst it would be inadvisable to discontinue the San Francisco service if it can be got on fair terms, it would also be a good thing to have direct communication with Canada *via* Vancouver if it could be brought about by the payment of a reasonable subsidy. Suggestions have been made that a transshipping service to Fiji to connect with the Vancouver steamers should be established. This would not be acceptable, or meet the requirements of the colony. It has also been suggested that there should be an improved service as between New Zealand and Australia, and, seeing the number of magnificent steamers belonging to various companies trading from Great Britain to Australia, an effort to bring these lines of steamers to our colony is worthy of consideration. It is quite feasible, and could be done at a reasonable cost. With regard to the San Francisco and Vancouver mail-services, proposals will be submitted to the House later on dealing with these mail-services.

#### PACIFIC CABLE.

I feel sure that it was with pleasure that honourable members noted that the Pacific cable contract had been entered into; and preparations for the laying of the cable are now being proceeded with. An officer representing the Pacific Cable Board has visited New Zealand, and, in conjunction with the Superintendent of Telegraphs, has selected a site for the cable-station at Doubtless Bay. The completion of this cable is a matter of great importance to our colony, and it will enable New Zealand and Australia to have an independent cable between

those countries. I regret to say that some friction has arisen owing to the Government of New South Wales, one of the contracting parties, having granted concessions to the Eastern Extension Telegraph Company inimical to the Pacific cable. Canada strongly resented the transaction, and at one time it looked as though the error committed would imperil the cable. I am pleased to say that the trouble has passed over, and progress is being made with the work. It is not likely that any claims for payment on account of interest will come to charge this year. The Pacific cable will serve as an additional cable route for England, and doubtless the Board will see the propriety of allowing a local service being established between Australia and New Zealand. The rates for the existing lines between Australia and New Zealand are not satisfactory, and it would be in the interests of the Australian Commonwealth, as well as of New Zealand, to have the whole of the cables between these two countries State-owned.

#### ADDITIONAL FUNDS.

The minds of honourable members having been relieved in respect to the Consolidated Fund Account, the next—and to many members the most important—matter demanding attention and consideration is the public-works expenditure, the amount of money to be expended, and the amount of money proposed to be raised. It would be out of place for me to trespass on the domain of my colleague the Minister for Public Works by going into details. I may say, however, that we estimate there will be an expenditure of about £1,950,000, the expenditure on railways and roads being approximately about the same as last year. The balance on the 31st March last was £232,515. To this may be added £800,000, the balance of the million loan of last session, and we propose to transfer to the Public Works Fund £500,000 of the surplus of the past year, making the total assets £1,532,515. Seeing the estimated expenditure is £1,950,000, it will therefore be necessary to ask authority for a further loan. In endeavouring to bring our borrowing within reasonable limits, considerable difficulty has been encountered owing to the heavy expenditure and liabilities which have been incurred during the last four months, and I have some mis-giving as to the amount to be asked for which will be sufficient to carry us on until next session; certainly the greatest care and economy will require to be exercised by myself and colleagues to keep the public-works expenditure within the ways and means. We shall be aided in this endeavour if honourable members will restrict their demands in respect to the requirements of their districts. The time is most inopportune for extensive borrowing. The prolonged disturbed conditions in the Mother Country, caused by circumstances well within the knowledge of honourable members, has had an effect on the financial world of an abnormal character, and to such an extent as to render it unwise to ask for more than one million, for a larger sum might prove, at this juncture, injurious to the credit of the colony.

#### PUBLIC WORKS FUND WAYS AND MEANS.

Balance brought forward	...	...	...	...	...	£ 232,515
Balance of loan of last session	...	...	...	...	...	800,000
Transfer from Consolidated Fund	...	...	...	...	...	500,000
New loan...	...	...	...	...	...	1,000,000
						<hr/>
						2,532,515
Estimated expenditure	...	...	...	...	...	1,950,000
						<hr/>
Balance	...	...	...	...	...	<u>£582,515</u>

#### GREATER NEW ZEALAND.

The action of the Imperial Government in agreeing to the extension of the boundary of the colony so as to include the Cook and other islands, has given general satisfaction, and such enlargement taking place on the day of the arrival of their Royal Highnesses the Duke and Duchess of Cornwall and York, was pleasing in the extreme. The fact that the inauguration of Greater New Zealand

occurred on the occasion of the visit of our future King will ever be a pleasant recollection. Colonel Gudgeon, C.M.G., has been appointed Resident Agent for New Zealand, and the well-being of the inhabitants of the Islands will be our first care, and nothing will be done which will tend to disturb the harmony now existing.

In respect to revenues—Customs, Postal, &c.—there is no present intention of materially altering the existing conditions. The present revenues enable the Islands to be self-supporting. Seeing that goods from New Zealand will ultimately be admitted into the Islands free of duty, there will of course be a loss of revenue, but this will be more than compensated for by collateral advantages. Mr. Percy Smith has very generously undertaken to go to the Island of Niue for a period of three months, and whilst there he will introduce the new order of things, which we hope will be to the benefit alike of the Natives and of the people of this colony.

On several of the Islands, particularly Penrhyn, a Resident Agent will require to be located to see to the interests of the Natives, and also to protect the interests of this colony. The cost entailed by the appointment of such Resident Agents will be more than recouped by revenues directly received, so that each of the Islands will be self-supporting, and that without imposing any direct taxation upon the Natives. As previously intimated, Parliament will be asked to extend the operations of the ordinances now in force in the Islands pending other provision being made; it would not do for the whole of our laws to be enforced in the Islands, for the operation thereof under existing conditions would only result in friction and confusion.

#### SUMMARY AND CONCLUSION.

In dealing with the many questions necessarily involved in placing the Public Accounts before honourable members, I have endeavoured to be clear and explicit, not withholding or unduly extending the information which is necessary in order to afford a lucid explanation of the finances of the colony. The Budget proves that the financial position of the colony is sound and prosperous, that the operations of last year were satisfactory, and that at the close there was a credit balance of £532,000, that this year there will be a surplus, and that additional taxation is not required, provided the present laws remain unaltered.

I trust that I have clearly demonstrated that, with regard to the current year's finances, there was nothing to warrant the alarm and pessimistic view which some persons have taken respecting them, and that with care and economy, notwithstanding the very heavy and exceptional expenses already incurred, it is reasonable to expect there will be a fair surplus on the 31st March next.

Presuming, as we do, that the public-works expenditure will be fairly up to the estimate, the balance left in the Public Works Fund is likely to be less on the 31st March next than it has been for some years past. It is better that this should be so, and that there should be a tapering-off rather than an increased borrowing as compared with last year.

The difficulty in raising money in London has not been without its advantages, for it has taught us that we may with success float loans locally. Under normal conditions a 4-per-cent. rate is too high; and, although money could be raised at 3 per cent. at Home, the expenses there are so heavy that it would be an advantage to us to some extent to raise our money locally at 3½ per cent., and to issue debentures over the Treasury counter, or even over the counters of the colony's banker, so that a person could as easily obtain a Government short-dated debenture for £100 as he can put his money in the bank and obtain his receipt therefor.

From what I can gather after making careful inquiries, it is my opinion that next year financial matters will have reached a normal condition in the Mother-country, and that there will be a plethora of money easily obtainable at 3 per cent.

It must be pleasing to honourable members to know that the elasticity of finance, for which our colony is noted, still continues, and that, notwithstanding



the concessions granted last year, our Customs revenue is buoyant, and more than realises expectations. The Customs revenue is the barometer of the spending-power of the people, and also of our prosperity, and the indicator points between "Fair" and "Set fair," whilst the financial meteorologist announces a blue and cloudless sky.

In regard to the railways, since the Government took charge of them in 1895 concessions have been given to the value and extent of £420,000. Eliminating the abnormal traffic created in the month of June last, the ordinary traffic shows that there will be increased earnings as compared with last year, and, unless unforeseen circumstances arise, the estimated receipts from railways will be fully realised.

The settlement of the people on the land is of paramount importance. What we have done, are doing, and must do is to extend our operations and increase the number of our settlers; and to those going on to the back blocks and the bush lands easy terms must be given by way of relieving the tenants from payment of rent for the first few years, and also by way of insisting on improvement conditions being complied with; at the same time affording relief from rent until the tenant is enabled to get his head above water and to pay his way from the produce of the land itself.

In respect to gold-mining, steady progress is being made. Science has come to the rescue in regard to quartz-mining, whilst alluvial mining by dredging has assumed large proportions. I understand that the yield of gold this year will show a considerable increase over last year. The proclamation of certain rivers is indispensable, and although the first cost may appear heavy, yet this is unavoidable if ground sluicing and dredging are to be maintained.

For years past it has been contended and urged that the State should open its coal-mines and be self-supplying. The existing dearth of coal and excessive charges practically forced the position, and with a good selection and careful administration there is every reason to believe that the result of a State-owned coal-mine will, as in many other ventures of a progressive character, prove successful.

In respect to industries, however, the horizon is somewhat clouded, but in a short time this cloud will pass away. The employers and employed should shake hands, and both work together for mutual benefit. What will help our industries more than anything else will be to have complete technical and manual instruction for the young of our colony. This education is being afforded, and the country will be recouped for this expenditure a thousandfold.

The increased expenditure to meet the charge necessary to give effect to the scheme for a national and uniform scale of pay for teachers is fully warranted, for in a great measure the future of our colony depends upon the teachers. They have been underpaid in the past, and the remuneration and scale now submitted is fair and reasonable.

During the last few years the increase in our public debt may appear out of proportion to the increase in our population and trade; but when it is borne in mind that a very large proportion of this indebtedness is created for the purpose of advancing money to settlers, for the purchase of land for settlements, for loans to local bodies, for land improvement, and for other purposes of a directly reproductive character, there can be no question that splendid security has been given. There is direct local payment of interest, and many collateral advantages fully warrant the credit of the colony being pledged for such purposes. Contrast the wealth of the colony per head of the population with the increased indebtedness, and the most pessimistic individual must admit that the policy pursued has been in the best interests of New Zealand.

The construction of roads to the back blocks, the roading of lands prior to settlement, and the endeavour to improve the means of communication so as to permit the settlers to bring their produce to the main roads and realise is of paramount importance.

The completion at an early date of the North Island Main Trunk Railway, and the coupling together of Auckland and Wellington by a band of steel, is essential and of great importance. It will remove existing fears, and give

potential advantages by increasing the tourist traffic, by the settlement of the people on the land, and by bringing the settlers in the far north and those in the south closer together for mutual profit and good. This work is national in character, and necessarily in respect to railway-construction should take first place.

Railways in a young country should be run for the common good and to give encouragement to producers, small as well as large. The true principle to be observed is to carry your produce at the lowest possible rates, so as to give the producers an opportunity of competing with the markets of the world; and to provide cheap fares and freights to convenient markets, so as to obtain revenue from widely distributed areas of settlement. This year, from the circumstances narrated, material reductions in railway freights could not be granted. Next year, and with abnormal expenditure eliminated, we hope to grant such concessions as will bring down the net earnings on our railways to 3 per cent.

Some honourable members may have misgivings respecting the large amount asked for defence, but the money spent with this object is only the payment of a premium on an insurance. To preserve peace it is wise to be ever prepared for war; and it is also a duty we owe to the Mother-country and the Empire, as well as to the people of New Zealand, that our able-bodied men should be trained to arms, that our sons should be drilled at school, so as to become efficient members of cadet corps, and ultimately Volunteers, and, when required, as in the case of our sons in South Africa, to prove themselves valiant soldiers of the King.

I have now detained honourable members a considerable time, and let me say, in conclusion, that I am sensible of their great and continued confidence. I hope that, although there may be differences of opinion respecting the Budget now submitted, at all events, they will do me the credit of believing that the conclusions have not been arrived at hastily, that the position has been accurately gauged, and that time will prove the finances of this colony to be sound and secure. I advise, and that in good faith, that at the present time the good steamer "Finance" should be steadied, and that "Slow" and not "Full speed ahead" should be the order on the dial. Reasonable care will insure the good ship riding buoyantly and safely in calm and placid waters.

The information upon which the present position has been gauged will be placed at the command of honourable members, and I trust that they, with myself, will conscientiously and honestly arrive at the conclusion that our fair colony is prosperous, that there is a bright future before its people, that progress is assured, and that, as at present, so in the future, this colony will hold a foremost position as a British dependency.

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A P P E N D I X .

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## STATEMENT of the RECEIPTS and EXPENDITURE of the CONSOLIDATED REVENUE

1899-1900.		RECEIPTS.						1900-1901.			
£	s. d.							£	s. d.	£	s. d.
495,861	9 0	BALANCE AT BEGINNING OF YEAR	..	..	..	..	..	..	..	605,351	14 6
		Ordinary Revenue,—									
2,107,566	18 6	Customs	..	..	..	..	..	..	2,180,861	11 4	
860,898	1 9	Stamps, including Postal and Telegraph Cash Receipts	..	..	..	..	..	..	903,934	17 11	
293,627	3 9	Land-tax	..	..	..	..	..	..	294,583	15 6	
128,721	4 0	Income-tax	..	..	..	..	..	..	173,808	18 10	
107	13 11	Property-tax	..	..	..	..	..	..	..	..	
80,291	11 10	Beer Duty	..	..	..	..	..	..	85,170	10 0	
1,621,612	13 0	Railways	..	..	..	..	..	..	1,720,640	19 5	
74,373	8 10	Registration and other Fees	..	..	..	..	..	..	67,537	7 10	
27,820	4 10	Marine	..	..	..	..	..	..	29,553	6 10	
123,138	0 3	Miscellaneous	..	..	..	..	..	..	126,410	18 7	
5,318,157	0 8								5,582,502	6 3	
		Territorial Revenue,—									
73,591	17 0	Cash Land Sales	..	..	..	..	..	£78,793	18 5		
17,239	1 3	Deferred-payment Land Sales	..	..	..	..	..	10,575	1 1		
171,397	15 5	Pastoral Runs, Rents, and Miscellaneous	..	..	..	..	..	180,834	6 3		
262,228	13 8								270,203	5 9	
5,580,385	14 4									5,852,705	12 0
		Receipts in Aid,—									
50,400	0 0	Debentures issued under "The Consolidated Stock Act, 1884,"—									
		For Increases of Sinking Fund	..	..	..	..	..	..	..	52,800	0 0
..		Recoveries in respect of "Unauthorised" of previous years (trade with South Africa)	..	..	..	..	..	..	..	1,410	11 9
7,000	0 0	Temporary advances repaid,—									
		Net amount recovered from the Government Advances to Settlers Office Management Account	..	..	..	..	..	..	..	..	
61,832	5 3	Recoupment of Interest in respect of Debentures issued under the Land for Settlements Acts, 1892 and 1894	..	..	..	..	..	..	..	..	
6,195,479	8 7									6,512,267	18 3
..		"The Dairy Industry Act, 1898"—									
		Proceeds of debentures issued under the above Act	..	..	..	..	..	..	..	1,781	0 0
£6,195,479	8 7	Totals	..	..	..	..	..	..	..	£6,514,048	18 3

## TREASURY BILLS

234,000	0 0	Treasury Bills outstanding at beginning of Year,—									
476,000	0 0	In anticipation of Revenue	..	..	..	..	..	..	224,000	0 0	
		In redemption of Guaranteed Debentures	..	..	..	..	..	..	476,000	0 0	
710,000	0 0									700,000	0 0
		Treasury Bills issued during Year,—									
200,000	0 0	In anticipation of Revenue	..	..	..	..	..	..	370,000	0 0	
730,000	0 0	In renewal of Bills matured	..	..	..	..	..	..	700,000	0 0	
930,000	0 0									1,070,000	0 0
£1,640,000	0 0	Totals	..	..	..	..	..	..	..	£1,770,000	0 0

## No. 1.

**FUND** for the Year ended 31st MARCH, 1901, compared with the Financial Year ended 31st MARCH, 1900.

## ACCOUNT.

1899-1900.		EXPENDITURE.	1900-1901.					
£	s.	d.	£	s.	d.	£	s.	d.
		Permanent Appropriations,—						
		Civil List .. .. .				29,172	19	1
1,749,393	12	Interest and Sinking Fund .. .. .	1,745,615	12	6			
198,204	9	Under Special Acts of the Legislature .. .. .	200,908	4	5			
68,763	14	Subsidies paid to Local Bodies .. .. .	76,218	4	7			
		Amounts paid over to Local Bodies and to Deposit Accounts in respect of						
34,309	5	Payments under the Land Acts .. .. .	34,233	1	4			
		Endowments—						
6,193	14	New Plymouth Harbour Board .. .. .	6,507	16	9			
16,417	19	Greymouth Harbour Board .. .. .	19,092	15	1			
30,299	13	Westport Harbour Board .. .. .	26,867	18	6			
157,094	13	Old-age pensions .. .. .	196,606	17	4			
								2,335,223 9 7
2,285,318	0							
		Annual Appropriations,—						
		Class I.—Legislative .. .. .	25,265	0	0			
19,441	2	"   II.—Colonial Secretary .. .. .	110,555	14	8			
92,042	11	"   III.—Colonial Treasurer .. .. .	39,147	19	3			
46,875	14	"   IV.—Minister of Justice .. .. .	126,741	2	2			
122,270	10	"   V.—Postmaster-General .. .. .	416,363	15	4			
388,580	10	"   VI.—Commissioner of Trade and Customs .. .. .	87,037	16	4			
78,960	2	"   VII.—Commissioner of Stamps .. .. .	26,255	15	11			
26,889	17	"   VIII.—Minister of Education—						
		Education Department .. .. .	445,293	15	9			
436,304	0	Lunacy and Charitable Aid Department .. .. .	64,511	16	4			
57,920	15	"   IX.—Department of Labour .. .. .	7,977	13	9			
7,807	9	"   X.—Minister of Mines .. .. .	17,487	16	8			
16,235	0	"   XI.—Minister for Agriculture .. .. .	74,876	5	0			
68,162	13	"   XII.—Working Railways .. .. .	1,144,831	13	3			
1,039,266	16	"   XIII.—Minister for Public Works .. .. .	46,851	10	4			
41,482	4	"   XIV.—Defence Department .. .. .	206,565	1	10			
142,160	7	"   XV.—Police Department .. .. .	117,522	5	0			
116,207	2	"   XVI.—Minister of Lands .. .. .	137,565	3	5			
121,916	3	"   XVII.—Valuation Department .. .. .	23,579	12	5			
20,578	11	"   XVIII.—Rates on Crown Lands .. .. .	530	16	10			
520	4	Services not provided for .. .. .	25,519	5	6			
11,187	13							3,144,479 19 9
2,854,809	13							
		Amount transferred to the Public Works Fund in terms of section 17 of "The Appropriation Act, 1900" .. .. .						500,000 0 0
450,000	0							
		BALANCE AT END OF YEAR .. .. .						582,564 8 11
605,351	14							
6,195,479	8							6,512,267 18 3
		"The Dairy Industry Act, 1898,"—						
		Amount advanced to Dairy Companies .. .. .						1,781 0 0
£6,195,479	8	Totals .. .. .						£6,514,048 18 3

## ACCOUNT.

210,000	0	0	Treasury Bills paid off during Year .. .. .	370,000	0	0		
730,000	0	0	Treasury Bills renewed during Year .. .. .	700,000	0	0		1,070,000 0 0
940,000	0	0						
			Treasury Bills outstanding at end of Year,—					
224,000	0	0	In anticipation of Revenue .. .. .	224,000	0	0		
476,000	0	0	In redemption of Guaranteed Debentures .. .. .	476,000	0	0		700,000 0 0
700,000	0	0						
£1,640,000	0	0	Totals .. .. .					£1,770,000 0 0

## STATEMENT of the RECEIPTS and EXPENDITURE of the CONSOLIDATED STATE FORESTS

1899-1900.		RECEIPTS.	1900-1901.	
£	s. d.		£	s. d.
18,921	16 11	Balance at beginning of Year,—		
		Cash in the Public Account .. .. .	23,558	16 2
		Advances in hands of the Officers of the Government,—		
		In the Colony .. .. .	206	10 0
				23,765 6 2
2,305	1 2	Rents from Lands set apart .. .. .	4,170	9 3
6,540	17 8	Miscellaneous .. .. .	10,744	16 0
				14,915 5 3
8,845	18 10			
£27,767	15 9	Totals .. .. .		£38,680 11 5

## ACCOUNTS OF

8,020	14 5	Balance at beginning of Year,—	4,479	16 6	
		Cash in the Public Account .. .. .			
155	11 4	Advances in the hands of Officers of the Government,—			
		In the Colony .. .. .			
8,176	5 9				4,479 16 6
		Revenue received for Local Bodies,—			
3,187	1 8	Fees, Fines, &c. .. .. .	3,703	7 6	
13,553	1 8	Endowments of Land, &c. .. .. .	14,285	1 0	
28,423	4 10	Goldfields Revenue .. .. .	30,725	14 11	
16,883	16 4	Gold Duty .. .. .	16,401	19 9	
					65,116 3 2
62,047	4 6				
502	6 4	Counties Separate Accounts,—			
		Revenue of Counties in which "The Counties Act, 1886," is not in full operation .. .. .			563 3 3
43,052	2 0	Advance Account,—	55,882	7 6	
749	15 7	Amount repaid by Local Bodies .. .. .	128	8 5	
1,964	2 8	Ditto on account of Unauthorised Expenditure of previous years .. .. .			
		Ditto on account of "Unauthorised" of current year.. .. .			
45,766	0 3				56,010 15 11
£116,491	16 10	Totals .. .. .			£126,169 18 10

## DEPOSIT

95,170	15 9	Balance at beginning of Year,—	153,780	19 0	
		Cash in the Public Account .. .. .			
		Advances in the hands of Officers of the Government,—			
		In the Colony .. .. .	1,500	0 0	
39,891	13 5	In London .. .. .	29,367	11 2	
135,062	9 2				184,648 10 2
		Lodgments,—			
1,479	18 5	Cyanide Process Gold-extraction Act, 1897 .. .. .	998	4 10	
5,011	10 0	Emigrants' Deposits .. .. .	10,632	7 3	
75	0 0	General Assembly Library Fund .. .. .	75	0 0	
7	3 9	Hospitals and Charitable Institutions Act, 1885 .. .. .	4	17 1	
72,000	0 0	Imperial Government (South Africa Contingents) .. .. .	211,663	8 7	
		Imperial Government (Purchase of Oats) .. .. .	117,773	8 0	
103	10 0	Land Transfer Act, 1885 .. .. .	779	5 0	
283	17 1	Mining Districts Land Occupation Act, 1894 .. .. .	267	10 5	
48,896	7 5	Miscellaneous .. .. .	59,011	4 5	
46,550	0 0	Money-order Settlement .. .. .	48,931	13 5	
4,350	0 0	More Men Fund .. .. .			
366	17 5	Native Land Purchases .. .. .	333	18 1	
97	1 6	Native Township of Parata .. .. .	42	11 9	
		"    Pipiriki .. .. .	124	9 0	
		"    Potaka .. .. .	58	3 9	
		"    Te Araroa .. .. .	31	17 9	
		"    Te Puia .. .. .	24	16 3	
214	14 3	"    Tokaanu .. .. .	208	19 7	
		"    Tuatine .. .. .	15	11 0	
46	1 7	Nelson Rifle Prize Fund .. .. .	42	5 0	
400	0 0	Nelson Rifle Prize Fund Investment .. .. .			
24,711	19 1	New Zealand Midland Railway .. .. .	8,467	7 10	
129	11 0	New Zealand University Endowment, Canterbury .. .. .	129	11 0	
323	0 4	New Zealand University Endowment, Taranaki .. .. .	261	7 6	
5	0 0	New Zealand University Endowment, Westland .. .. .	7	10 0	
41	10 8	North Island Experimental Dairy School .. .. .	41	10 9	
		North Island Main Trunk Railway Loan Application Act 1886 Amendment Act, 1889 .. .. .	9,449	7 8	
8,572	13 3	Public Trust Office Remittance Account .. .. .	12,886	5 5	
13,465	11 8	Railways .. .. .	720	0 0	
		Tauranga Educational Endowment Reserves Act, 1896 .. .. .	49	6 9	
1,990	6 11	Thermal-springs Districts Act, 1881 .. .. .	2,682	11 9	
		Trustee Act, 1883 .. .. .	473	2 5	
229,167	18 2				486,187 12 3
£364,230	7 4	Totals .. .. .			£670,836 2 5

No. 1—continued.

FUND for the Year ended 31st MARCH, 1901, compared with the Financial Year ended 31st MARCH, 1900.

## ACCOUNT.

1899-1900.		EXPENDITURE.	1900-1901.	
£	s. d.		£	s. d.
4,002	9 7	Annual Appropriations,— Vote 117—State Forests Branch .. .. .	..	6,857 9 2
23,558	16 2	Balance at end of Year,— Cash in the Public Account .. .. .	31,823 2 3	
206	10 0	Advances in the hands of Officers of the Government,— In the Colony .. .. .	..	31,823 2 3
23,765	6 2			
£27,767	15 9	Totals .. .. .		£38,680 11 5

## LOCAL BODIES.

3,116 6 0	Revenue paid over to Local Bodies,— Fees, Fines, &c. .. .. .	3,742 10 0	
18,113 3 2	Endowments of Land, &c. .. .. .	6,674 13 7	
28,231 16 4	Goldfields Revenue .. .. .	31,690 0 7	
16,855 12 10	Gold Duty .. .. .	16,158 12 5	58,265 16 7
66,316 18 4			
527 14 0	Counties Separate Accounts,— Amount distributed amongst Road Boards where "The Counties Act, 1886," is not in full operation .. .. .	..	520 14 7
43,203 5 4	Advance Accounts,— Payments on behalf of Local Bodies .. .. .	55,756 5 11	
1,964 2 8	Payments on behalf of Local Bodies charged to "Unauthorised" .. .. .	..	55,756 5 11
45,167 8 0			
4,479 16 6	Balance at end of Year,— Cash in the Public Account .. .. .	11,611 19 5	
..	Advances in the hands of Officers of the Government,— In the Colony .. .. .	15 2 4	11,627 1 9
4,479 16 6			
£116,491 16 10	Total .. .. .	..	£126,169 18 10

## ACCOUNTS.

18 16 6	Withdrawals,— Auckland Museum Endowment .. .. .	..	
5,441 10 0	Emigrants' Deposits .. .. .	10,552 7 3	
75 0 0	General Assembly Library Fund .. .. .	75 0 0	
17 10 10	Hospitals and Charitable Institutions Act, 1885 .. .. .	4 17 1	
5,552 3 9	Imperial Government (South Africa Contingents) .. .. .	179,204 14 9	
..	Imperial Government (Purchase of Oats) .. .. .	117,773 8 0	
506 4 10	Land Transfer Act, 1883 .. .. .	676 10 0	
256 7 2	Mining Districts Land Occupation Act, 1894 .. .. .	110 0 8	
60,686 17 7	Miscellaneous .. .. .	55,905 11 3	
56,400 0 0	Money-order Settlement .. .. .	43,724 16 5	
4,350 0 0	More Men Fund .. .. .	..	
55 16 2	Native Land Act, 1872 (No. 2) .. .. .	..	
346 6 10	Native Land Purchases .. .. .	331 14 4	
74 5 6	Native Township, Pipiriki .. .. .	190 16 0	
..	Native Township, Tokaanu .. .. .	0 17 4	
12 13 0	Nelson Rifle Prize Fund .. .. .	47 0 0	
500 0 0	Nelson Rifle Prize Fund Investment .. .. .	..	
21,586 11 6	New Zealand Midland Railway .. .. .	12,524 2 10	
7 13 11	Ngatirahiri Compensation .. .. .	2 14 9	
10,503 6 11	North Island Main Trunk Railway Loan Application Act 1886 Amendment Act, 1889 .. .. .	7,486 2 11	
11,439 18 2	Public Trust Office Remittance Account .. .. .	12,049 2 4	
839 13 4	Railways .. .. .	2 0 10	
911 1 2	Thermal-springs Districts Act, 1881 .. .. .	1,203 15 2	441,865 11 11
179,581 17 2			
153,780 19 0	Balances at end of Year,— Cash in the Public Account .. .. .	157,129 12 6	
1,500 0 0	Advances in the hands of Officers of the Government,— In the Colony .. .. .	18,841 11 9	
29,367 11 2	In London .. .. .	52,999 6 3	228,970 10 6
184,648 10 2			
£364,230 7 4	Totals .. .. .	..	£670,836 2 5





## No. 1—continued.

FUND for the Year ended 31st MARCH, 1901, compared with the Financial Year ended 31st MARCH, 1900.

1899-1900.		EXPENDITURE.	1900-1901.	
£	s. d.		£	s. d.
384	14 9	Annual Appropriations,—		
12,571	14 3	Class I.—Immigration .. .. .	214	0 9
417,937	8 8	" II.—Public Works, Departmental .. .. .	12,932	18 9
285,389	19 5	" III.—Railways .. .. .	717,722	11 7
21,815	8 8	" IV.—Roads .. .. .	315,741	9 2
31,882	7 7	" V.—Development of Goldfields .. .. .	15,907	8 1
26,771	7 9	" VI.—Purchase of Native Lands .. .. .	28,687	11 6
115,426	12 6	" VII.—Telegraph Extension .. .. .	50,100	19 7
9,025	13 3	" VIII.—Public Buildings .. .. .	121,363	19 2
743	17 8	" IX.—Lighthouses, Harbour-works, and Harbour Defences .. .. .	6,516	15 8
42,809	15 8	" X.—Rates on Native Lands .. .. .	672	15 8
		" XI.—Contingent Defence .. .. .	37,650	11 9
964,759	0 2			1,307,511 1 8
142	6 7	Unauthorised,—		
		Services not provided for .. .. .		50 0 0
250,000	0 0	The Aid to Public Works and Land Settlement Acts, 1896-99,—		
85,000	0 0	Temporary advances repaid by sale of Debentures .. .. .	500,000	0 0
		Debentures redeemed .. .. .		
335,000	0 0			500,000 0 0
28,321	15 4	Charges and expenses of raising loans .. .. .		1,460 0 0
125,000	0 0	"The Native Land Purchase Act, 1892,"—		
		Debentures due 31st October, 1899, renewed .. .. .		
90,782	17 3	Balance at end of Year,—		
25,710	6 3	Cash in the Public Account .. .. .	7,991	6 5
23,256	2 6	Advances in the hands of Officers of the Government,—		
		In the Colony .. .. .	42,845	4 5
		In London .. .. .	181,679	7 3
139,749	6 0			232,515 18 1
£1,592,972	8 1	Totals .. .. .		£2,041,536 19 9

ACCOUNT for the Year ended 31st MARCH, 1901, compared with the Financial Year ended 31st MARCH, 1900.

£	s. d.		£	s. d.	£	s. d.
8,866	2 6	Interest .. .. .	8,866	2 6		
51	3 0	Surveys, Roading, &c. .. .. .	71	9 4		
8,917	5 6					8,937 11 10
6,452	1 0	Balance at end of Year,—				
		Cash in the Public Account .. .. .				11,680 16 6
£15,369	6 6	Totals .. .. .				£20,618 8 4



No. 1—continued.

ACCOUNT for the Year ended 31st MARCH, 1901, compared with the Financial Year ended 31st MARCH, 1900.

1899-1900.		EXPENDITURE.			1900-1901.	
£	s. d.		£	s. d.	£	s. d.
2,611	5 10	Annual Appropriations,— Vote 118—Land for Settlements Expenses ..	..	..	..	4,234 18 1
		Acquirement of Estates,— Name of Estate.	Purchase-money.	Expenses.	Total.	
726	2 3	Albury .. .. .	..	185 1 3	185 1 3	
25,662	7 11	Aorangi .. .. .	..	524 6 0	524 6 0	
13	14 8	Ardgowan .. .. .	..	3 19 3	3 19 3	
26,489	13 8	Barnego .. .. .	..	459 1 1	459 1 1	
2	12 0	Beaumont .. .. .	..	7 1 3	7 1 3	
2	12 6	Blind River .. .. .	..	36 7 9	36 7 9	
..	..	Earnscoleugh (W. S. Laidlaw) ..	3,100 0 0	25 15 0	3,125 15 0	
80,634	8 4	Elderslie .. .. .	..	821 2 5	821 2 5	
32,393	1 2	Fencourt .. .. .	..	262 12 0	262 12 0	
21	8 9	Hatuma (Sainsbury and Bridge) (T. P. Russell) .. .. .	25,000 0 0 116,618 0 0	408 13 9	142,026 13 9	
153	7 6	Hekeao .. .. .	..	..	..	
3	2 0	Highbank .. .. .	..	1 10 0	1 10 0	
4,996	19 5	Jansfield .. .. .	..	52 10 8	52 10 8	
35	2 9	Karapiro (Assets Realisation Board) ..	253 0 0	19 0 8	272 0 8	
..	..	Kohika .. .. .	..	95 2 0	95 2 0	
..	..	Langdale .. .. .	..	248 0 5	248 0 5	
..	..	Lyndon (A. and D. Macfarlane) ..	15,750 0 0	99 4 11	15,849 4 11	
136	19 5	Mabora .. .. .	..	468 17 3	468 17 3	
1	14 8	Maerewhenua .. .. .	..	0 19 3	0 19 3	
6,572	5 4	Makareao (Waihemo Grange) ..	..	2,351 15 10	2,351 15 10	
..	..	Mangawhata .. .. .	..	160 2 10	160 2 10	
..	..	Maungaraki Settlement (W. Chapman) Merrivale .. .. .	2,797 0 0	21 2 6	2,818 2 6	
9	1 2	North Bank (J. Bell) .. .. .	6,750 0 0	5 5 4	6,755 5 4	
17,600	4 1	Ohakea (J. Bull) .. .. .	5,245 10 0	11 4 0	5,256 14 0	
88	4 2	Okauia .. .. .	..	2 12 0	2 12 0	
248	5 4	Omaka .. .. .	..	9 5 0	9 5 0	
154	15 6	Opouriao .. .. .	..	13 11 0	13 11 0	
2	13 6	Otahu .. .. .	..	40 3 0	40 3 0	
..	..	Otaio .. .. .	..	8 7 11	8 7 11	
18,012	12 9	Papaka (Levels Valley) .. .. .	..	138 0 8	138 0 8	
168	13 6	Paparangi .. .. .	..	100 3 6	100 3 6	
71,039	11 9	Pareora (Pareora No. 2) .. .. .	..	463 13 0	463 13 0	
82	15 9	Pawaho .. .. .	..	27 9 2	27 9 2	
36	10 10	Poerua .. .. .	..	..	..	
19	16 2	Pomahaka .. .. .	..	3 5 4	3 5 4	
31,677	17 7	Punaroa Settlement (Three Springs) ..	..	226 16 5	226 16 5	
1	1 0	Rakitairi (Arowhenua) .. .. .	..	1 19 0	1 19 0	
63	11 6	Rangiatea .. .. .	..	..	..	
1	10 10	Raureka .. .. .	..	3 4 0	3 4 0	
2,563	3 10	Rautawiri (Rural Section 3106) ..	..	59 7 4	59 7 4	
2,519	7 0	Richmond Brook .. .. .	..	257 8 5	257 8 5	
3	10 0	Roimata .. .. .	..	0 10 0	0 10 0	
293	13 0	Rural Sections 36056-57 .. .. .	..	..	..	
240	0 11	Rural Section 36228 .. .. .	..	..	..	
507	3 7	Rural Section 36469 (Carrington) ..	..	..	..	
349	8 7	Rural Section 26231 .. .. .	..	..	..	
5,394	9 2	Starborough .. .. .	..	979 0 7	979 0 7	
23,179	0 6	Takitu (Clarksfield) .. .. .	..	221 1 9	221 1 9	
98	7 5	Tamai .. .. .	..	573 8 1	573 8 1	
..	..	Tarawahi (J. Freeman) .. .. .	2,857 10 0	..	2,857 10 0	
10,783	10 3	Te Matua .. .. .	..	26 11 11	26 11 11	
14	8 9	Tokarahi .. .. .	..	5 5 9	5 5 9	
1	13 9	Tomoana .. .. .	..	..	..	
2	1 11	Teanaraki .. .. .	..	..	..	
..	..	Waipapa (J. Bell) .. .. .	8,250 0 0	87 12 7	8,337 12 7	
1,411	19 1	Waikakahi .. .. .	..	72 8 1	72 8 1	
86	1 3	Waimarie .. .. .	..	7 11 9	7 11 9	
1	5 10	Wharenui .. .. .	..	34 12 7	34 12 7	
6,982	18 6	Whitehall .. .. .	..	46 14 8	46 14 8	
51	19 10	Willows .. .. .	..	3 11 0	3 11 0	
371,537	0 11		186,621 0 0	9,682 9 11		196,303 9 11
33,349	9 4	Interest recouped to Consolidated Fund in respect of Debentures issued under the Land for Settlements Acts, 1892 and 1894,—	..	..	50,910 2 6	
61,832	5 3	On account of Interest paid during Current Year .. .. .	..	..	..	
..	..	On account of Interest from 13th July, 1893, to 31st March, 1899 .. .. .	..	..	..	50,910 2 6
95,181	14 7					
..	..	Charges and Expenses on issue of Debentures under the Act .. .. .	..	..	..	388 13 0
784,766	0 0	Debentures matured 31st October, 1899, and renewed .. .. .	..	..	..	..
53,381	8 4	Balance at end of Year,— Cash in the Public Account .. .. .	..	..	92,021 8 7	
8	2 0	Advances in the hands of Officers of the Government,— In the Colony .. .. .	..	..	1,328 3 7	
53,389	10 4					93,349 12 2
1,307,485	11 8	Total .. .. .	..	..	..	£345,186 15 8



## No. 1—continued.

ACCOUNT for the Year ended 31st MARCH, 1901, compared with the Financial Year ended 31st MARCH, 1900.

1899-1900.			EXPENDITURE.			1900-1901.		
£	s.	d.				£	s.	d.
39,100	0	0	Debentures redeemed,—					
26,906	0	0	Consolidated Loan Act, 1867, 5 per cent. .. .. .			50,400	0	0
25,000	0	0	Naval and Military Settlers and Volunteers Land Act, 1892, due 31st October, 1899 .. .. .			290	0	0
24,700	0	0	District Railways Purchasing Act, 1885, due 1st April, 1899 .. .. .			..		
600	0	0	Native Land Purchase Act, 1892, due 31st October, 1899 .. .. .			..		
			Land for Settlements Act, 1894, due 31st October, 1899 .. .. .			..		
116,306	0	0						50,690 0 0
..			"Government Loans to Local Bodies Act, 1886," debentures, due 31st December, 1900 .. .. .			..		509,500 0 0
			Debentures converted into 3-per-cent. Inscribed Stock,—					
200	0	0	Consolidated Loan Act, 1867, 5 per cent. .. .. .			..		
500	0	0	New Zealand Loan Act, 1863, 5 per cent., due 15th July, 1914 .. .. .			..		
2,600	0	0	General Purposes Loan, 1873, 4 per cent. .. .. .			..		
22,000	0	0	District Railways Purchasing Act 1885 Amendment Act, 1886 .. .. .			..		
100	0	0	Immigration and Public Works Loan Act, 1870, due 15th April, 1913 .. .. .			..		
1,290	0	0	Premium in respect of same .. .. .			..		
26,690	0	0						..
			Expenses Account,—					
414	15	0	Brokerage and Commission .. .. .			45	0	0
5,908	2	6	Discount .. .. .			450	0	0
1,807	13	9	Stamp Duty .. .. .			1,550	2	0
4	13	11	Interest (including overlap of interest) .. .. .			946	7	10
180	8	0	Office Expenses .. .. .			220	7	6
67	10	0	Rents .. .. .			112	10	0
166	16	0	Law charges .. .. .			..		
21	18	8	Telegrams .. .. .			..		
8	17	6	Printing and Advertising .. .. .			..		
8,580	15	4						3,324 7 4
			Balance at end of Year,—					
39,538	9	1	Cash in the Public Account .. .. .			3,706	19	3
363	2	10	In the hands of Stock Agents—			180	5	4
			Cash .. .. .			..		
39,901	11	11						3,887 4 7
£191,478	7	3	Totals .. .. .			..		£567,401 11 11

ACCOUNT for the Year ended 31st MARCH, 1901, compared with the Financial Year ended 31st MARCH, 1900.

1899-1900.			EXPENDITURE.			1900-1901.		
£	s.	d.				£	s.	d.
			Balance at end of Year,—					
87	6	11	Cash in Deposit Account .. .. .			2,989	7	1
441,400	0	0	Investment Account .. .. .			456,400	0	0
								459,389 7 1
£441,487	6	11	Totals .. .. .			..		£459,389 7 1

Table

STATEMENT of the RECEIPTS and EXPENDITURE of the **LOANS TO LOCAL BODIES**

1899-1900.	RECEIPTS.	1900-1901.	
£ s. d.		£ s. d.	£ s. d.
2,808 7 1	Balance at beginning of Year,—		
1,541 10 1	Cash in the Public Account .. .. .	6,982 2 4	
4,349 17 2	Advances in hands of Officers of the Government— In the colony .. .. .	13,611 2 11	20,598 5 3
115,500 0 0	The Government Loans to Local Bodies Act, 1886,— Debentures created .. .. .	..	176,000 0 0
	Repayments under section 8 of "The Government Loans to Local Bodies Act Amendment Act, 1896,"—		
	Counties,—		
..	Manawatu .. .. .	76 1 1	
..	Rangitikei .. .. .	325 18 1	
..	Stratford .. .. .	68 8 4	
..	Wanganui .. .. .	838 9 0	
198 2 3	Pohangina .. .. .	..	
495 6 10	Wairarapa .. .. .	..	
	Road Boards,—		
..	Taratahi-Carterton .. .. .	619 10 1	
119 12 6	Manawatu .. .. .	..	
63 14 10	Porangahau .. .. .	..	
	Boroughs—		
..	Stratford .. .. .	5,797 5 0	7,725 11 7
876 16 5			
£120,726 13 7	Carried forward .. .. .	..	£204,318 16 10



Table

STATEMENT of the RECEIPTS and EXPENDITURE of the **LOANS TO LOCAL BODIES**

1899-1900.	RECEIPTS.	1900-1901.	
£ s. d. 120,726 13 7	Brought forward .. .. .	£ s. d. ..	£ s. d. 204,318 16 10
<u>£120,726 13 7</u>	Totals .. .. .	..	<u>£204,318 16 10</u>

STATEMENT of the RECEIPTS and EXPENDITURE of the **GOVERNMENT ADVANCES TO SETTLERS**

1899-1900.	RECEIPTS.	1900-1901.	
£ s. d. ..	The Government Advances to Settlers Act, 1894,—	£ s. d.	£ s. d.
..	3-per-cent. Stock created .. .. .	240,000 0 0	
500,000 0 0	Temporary Advances on Security of Short-dated Debentures .. .. .	140,000 0 0	
	Proceeds of loan raised under above Act .. .. .	..	380,000 0 0
150,000 0 0	To repay advance made by Bank of England on security of stock .. .. .	..	..
0 13 3	Interest received on overdue instalments of loan .. .. .	..	..
<u>£650,000 13 3</u>	Totals .. .. .	..	<u>380,000 0 0</u>

STATEMENT of the RECEIPTS and EXPENDITURE of the **GOVERNMENT ACCIDENT**

RECEIPTS.	1900-1901.	
..	£ s. d.	£ s. d.
..	..	2,000 0 0
		<u>2,000 0 0</u>

STATEMENT of the RECEIPTS and EXPENDITURE of "**THE BANK OF NEW ZEALAND**

RECEIPTS.	1900-1901.	
..	£ s. d.	£ s. d.
..	..	500,000 0 0
		<u>500,000 0 0</u>



No. 1—continued.

ACCOUNT for the Year ended 31st MARCH, 1901, compared with the Financial Year ended 31st MARCH, 1900—continued.

1899-1900.		EXPENDITURE.						1900-1901.			
£	s. d.							£	s. d.	£	s. d.
68,770	0 0	Brought forward .. .. .						..	..	86,856	0 0
		Grants under "The Government Loans to Local Bodies Act Amendment Act, 1898"—									
		Counties—									
..		Wairarapa South .. .. .						..		3,000	0 0
		Boroughs—									
..		Akaroa .. .. .						200	0 0		
..		Hawera .. .. .						26,400	0 0		
..		Masterton .. .. .						19,500	0 0		
..		Palmerston .. .. .						2,000	0 0		
		Water-supply Boards—									
..		Manakau .. .. .						..		1,000	0 0
		Appropriations,—									
31,363	8 4	Vote 119.—Roads to open up Crown lands .. .. .						..		37,390	5 4
		Balance at end of year,—									
6,982	2 4	Cash in the Public Account .. .. .						20,881	9 0		
18,611	2 11	Advances in hands of Officers of the Government,—									
		In the Colony .. .. .						7,091	2 6		
20,598	5 3										
£120,726	13 7	Totals .. .. .						..		£204,318	16 10

OFFICE LOAN ACCOUNT for the Year ended 31st MARCH, 1901, compared with the Financial Year ended 31st March, 1900.

1899-1900.		EXPENDITURE.						1900-1901.			
£	s. d.							£	s. d.	£	s. d.
471,859	10 0	Amount paid over to Government Advances to Settlers Office Account .. .. .						..	..	380,000	0 0
150,000	0 0	Repayment of advance made by Bank of England .. .. .						..		..	
28,141	3 3	Charges and expenses of raising loan .. .. .						..		..	
£650,000	13 3	Total .. .. .						..		£380,000	0 0

INSURANCE LOAN ACCOUNT for the Year ended 31st MARCH, 1901.

		EXPENDITURE.						1900-1901.			
								£	s. d.	£	s. d.
..		Debentures handed to Commissioner Government Insurance Department .. .. .						..	..	2,000	0 0

AND BANKING ACT, 1895," ACCOUNT for the Year ended 31st MARCH, 1901.

		EXPENDITURE.						1900-1901.			
								£	s. d.	£	s. d.
..		Amount paid over to the Public Trustee in terms of the Act .. .. .						..	..	500,000	0 0

JAMES B. HEYWOOD,  
Secretary to the Treasury.ROBERT J. COLLINS,  
Accountant to the Treasury

SUMMARY of BALANCES on 31st MARCH, 1901.

	BALANCES.				CASH.			ADVANCES.			INVESTMENTS.			TOTAL.		
	£	s.	d.		£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
CONSOLIDATED FUND:—																
Ordinary Revenue Account	1,232,564	8	11*	522,938	0	2	109,626	8	9	600,000	0	0	1,232,564	8	11	
State Forests Account	31,823	2	3	31,823	2	3	..	..	..	..	..	..	31,823	2	3	
Accounts of Local Bodies	11,627	1	9	11,611	19	5	15	2	4	..	..	..	11,627	1	9	
Deposit Accounts	228,970	10	6	157,129	12	6	71,840	18	0	..	..	..	228,970	10	6	
				1,504,985	3	5	723,502	14	4	181,482	9	1	1,504,985	3	5	
PUBLIC WORKS FUND				232,515	18	1	7,991	6	5	224,524	11	8	232,515	18	1	
CHEVIOT ESTATE ACCOUNT				11,680	16	6	11,680	16	6	..	..	..	11,680	16	6	
LAND FOR SETTLEMENTS ACCOUNT				93,849	12	2	92,021	8	7	1,328	3	7	93,849	12	2	
CONVERSION ACCOUNT				3,887	4	7	3,705	19	3	180	5	4	3,887	4	7	
LOANS TO LOCAL BODIES ACCOUNT				27,972	11	6	20,881	9	0	7,091	2	6	27,972	11	6	
NEW ZEALAND CONSOLS ACCOUNT				459,389	7	1	2,989	7	1	..	..	..	459,389	7	1	
REMITTANCES TO LONDON ACCOUNT				Dr. 500,000	0	0	Cr. 500,000	0	0	..	..	..	Cr. 500,000	0	0	
Totals				£1,833,780	13	4	£362,774	1	2	£414,606	12	2	£1,833,780	13	4	

\* Against this Treasury Bills amounting to £700,000 are outstanding.

Table No. 2.

COMPARATIVE STATEMENT of the Estimated and Actual RECEIPTS and EXPENDITURE of the CONSOLIDATED FUND (REVENUE ACCOUNT) for the Financial Year ended 31st March, 1901.

	ESTIMATED.		ACTUAL.		DIFFERENCES.			
	£	s. d.	£	s. d.	More than Estimate.		Less than Estimate.	
<b>RECEIPTS.</b>								
<b>REVENUE ACCOUNT:—</b>								
Customs .. .. .	2,023,000	0 0	2,180,861	11 4	157,861	11 4	..	..
Stamps .. .. .	855,000	0 0	903,934	17 11	48,934	17 11	..	..
Land- and Income-tax .. .. .	425,000	0 0	468,392	14 4	43,392	14 4	..	..
Beer Duty .. .. .	83,000	0 0	85,170	10 0	2,170	10 0	..	..
Railways .. .. .	1,574,400	0 0	1,720,640	19 5	146,240	19 5	..	..
Registration and other Fees .. .. .	74,000	0 0	67,537	7 10	..	..	6,462	12 2
Marine .. .. .	26,200	0 0	29,553	6 10	3,353	6 10	..	..
Miscellaneous .. .. .	124,000	0 0	126,410	18 7	2,410	18 7	..	..
Territorial Revenue .. .. .	240,000	0 0	270,203	5 9	30,203	5 9	..	..
Sinking Fund Increases .. .. .	5,424,600	0 0	5,852,705	12 0	434,568	4 2	6,462	12 2
Recoveries in respect of "unauthorised" of previous years .. .. .	52,800	0 0	52,800	0 0	..	..	..	..
			1,410	11 9	1,410	11 9	..	..
					485,978	15 11	6,462	12 2
					6,462	12 2	..	..
<b>Totals .. .. .</b>	<b>5,477,400</b>	<b>0 0</b>	<b>5,906,916</b>	<b>3 9</b>	<b>429,516</b>	<b>3 9</b>	<b>..</b>	<b>..</b>
<b>EXPENDITURE.</b>								
<b>REVENUE ACCOUNT:—</b>								
Permanent Appropriations,—	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Civil List .. .. .	31,800	0 0	29,172	19 1	..	..	2,627	0 11
Interest and Sinking Fund .. .. .	1,771,985	0 0	1,745,615	12 6	..	..	26,369	7 6
Under Special Acts .. .. .	199,456	0 0	200,908	4 5	1,452	4 5	..	..
Subsidies paid to Local Bodies .. .. .	75,000	0 0	76,218	4 7	1,218	4 7	..	..
Territorial Revenue paid over .. .. .	35,000	0 0	34,233	1 4	..	..	766	18 8
Endowments .. .. .	48,900	0 0	52,468	10 4	3,568	10 4	..	..
Old-age Pensions .. .. .	200,000	0 0	196,606	17 4	..	..	3,393	2 8
Annual Appropriations,—								
Legislative .. .. .	26,222	0 0	25,265	0 0	..	..	957	0 0
Colonial Secretary .. .. .	118,032	0 0	110,555	14 8	..	..	7,476	5 4
Colonial Treasurer .. .. .	43,175	0 0	39,147	19 3	..	..	4,027	0 9
Minister of Justice .. .. .	131,217	0 0	126,741	2 2	..	..	4,475	17 10
Postmaster-General .. .. .	410,586	0 0	416,363	15 4	5,777	15 4	..	..
Commissioner of Trade and Customs .. .. .	92,601	0 0	87,037	16 4	..	..	5,563	3 8
Commissioner of Stamps .. .. .	27,444	0 0	26,255	15 11	..	..	1,188	4 1
Minister of Education .. .. .	561,854	0 0	509,805	12 1	..	..	52,048	7 11
Department of Labour .. .. .	8,511	0 0	7,977	13 9	..	..	533	6 3
Minister of Mines .. .. .	19,924	0 0	17,487	16 8	..	..	2,436	3 4
Minister for Agriculture .. .. .	74,581	0 0	74,876	5 0	295	5 0	..	..
Working Railways .. .. .	1,069,313	0 0	1,144,831	13 3	75,518	13 3	..	..
Public Buildings .. .. .	47,425	0 0	46,851	10 4	..	..	573	9 8
Defence Department .. .. .	287,434	0 0	206,565	1 10	..	..	80,868	18 2
Police Department .. .. .	119,689	0 0	117,522	5 0	..	..	2,166	15 0
Department of Lands and Survey .. .. .	148,450	0 0	137,565	3 5	..	..	10,884	16 7
Valuation Department .. .. .	23,620	0 0	23,579	12 5	..	..	40	7 7
Rates on Crown Lands .. .. .	1,075	0 0	530	16 10	..	..	544	3 2
Services not provided for .. .. .	..	..	25,519	5 6	25,519	5 6	..	..
					113,349	18 5	206,940	9 1
					..	..	113,349	18 5
<b>Totals .. .. .</b>	<b>5,573,294</b>	<b>0 0</b>	<b>5,479,703</b>	<b>9 4</b>	<b>..</b>	<b>..</b>	<b>93,590</b>	<b>10 8</b>

Surplus, 31st March, 1900 .. .. .	£	s. d.	£	s. d.
Less—				
Amount applied in aid of Public Works Fund .. .. .	500,000	0 0	105,351	14 6
Actual receipts, 1900-1 .. .. .	5,906,916	3 9	427,212	14 5
Actual expenditure, 1900-1 .. .. .	5,479,703	9 4	£532,564	8 11
Surplus at 31st March, 1901 .. .. .	..	..	..	..

Table No. 3.  
The PUBLIC DEBT of NEW ZEALAND on 31st MARCH, 1901.

	AMOUNT OUTSTANDING.		DUE DATE.	SINKING FUNDS ACCRUED.	NET INDEBTEDNESS.	ANNUAL CHARGE.			REMARKS.	
	£	s				Rate.		Amount.		When payable.
						Int.	S.F.			
New Zealand Loan Act, 1863 .. .. .	266,300		15 July, 1914	180,055	£ 186,245	% 5	1	15,978	15 Jan. and 15 July.	
Consolidated Loan Act, 1867 .. .. .	339,300		Ann. drawing	..	339,800	5	..	16,965	Quarterly, 15 Jan., &c.	
Immigration and Public Works Loan Act, 1870 ..	1,000,000*		1 June, 1907	657,322	342,678	4	2.4	64,000	1 June and 1 Dec.	Sinking Fund payable 13 Mar. and 13 Sept.
Canterbury Loan Ordinance, 1862 .. .. .	3,800	16,000	{ 2 Jan., 1915	{	{ 3,275	{ 6	{ 1	{ 1,120	{ 30 June " 31 Dec.	Debtentures not presented for payment.
Otago Loan Ordinance, 1862 .. .. .	12,200	400	{ 2 July, 1916	{ 12,725	{ 400	{ ..	{ ..	{ ..	{ ..	
Consolidated Loan Act, 1867 .. .. .	363,000	13,000	15 April, 1913	..	376,000	4	..	520	15 April and 15 Oct.	
Immigration and Public Works Loan Act, 1870	27,900	390,900	{ 15 April, 1913	{ ..	{ 363,000	{ 4	{ ..	{ 14,520	{ 15 April " 15 Oct.	
Defence and Other Purposes Loan Act, 1870	25,000	100,000	1 July, 1910	..	27,900	4½	..	1,256	15 April " 15 Oct.	
	75,000	100,000	1 July, 1910	..	25,000	4½	..	1,125	30 June " 31 Dec.	
General Purposes Loan Act, 1873 .. .. .	17,400	82,900	{ 15 April, 1913	{ ..	{ 75,000	{ 4	{ ..	{ 3,000	{ 15 April " 15 Oct.	
	10,800	82,900	{ 15 Oct., 1913	{ ..	{ 17,400	{ 4	{ ..	{ 696	{ 15 April " 15 Oct.	
District Railways Purchasing Acts, 1885-86	54,700	40,000	{ 15 May, 1914	{ ..	{ 10,800	{ 4	{ ..	{ 432	{ 15 May " 15 Nov.	
	97,100	40,000	{ 28 Nov., 1914	{ ..	{ 54,700	{ 5	{ ..	{ 2,735	{ 15 May " 15 Nov.	
Government Loans to Local Bodies Act, 1886	137,100	109,100	{ 1 July, 1909	{ ..	{ 40,000	{ 6	{ ..	{ 3,884	{ 1 April " 1 Oct.	* Only £200,000 had actually been issued to the public; the unsold debentures are available for the purpose of obtaining temporary advances from time to time.
	109,100	109,100	{ 1 April, 1905	{ ..	{ 97,100	{ 4	{ ..	{ 2,400	{ 1 April " 1 Oct.	
Consolidated Stock Act, 1877 .. .. .	29,150,302	41,460,279	{ 1 Sept., 1907	{ ..	{ 109,100	{ 3½	{ 1½	{ 26,782½	{ 1 Mar. " 1 Sept.	† The Sinking Fund is payable on £1,530,900; the Land Assurance Fund is also charged with ½ per cent. as a contribution towards Sinking Fund.
	6,161,167	41,460,279	{ 1 Nov., 1929	{ ..	{ 29,150,302	{ 4	{ ..	{ 1,166,012	{ 1 May " 1 Nov.	
Consolidated Stock Act, 1884—	6,148,810	..	{ 1 Jan., 1940	{ ..	{ 6,161,167	{ 3½	{ ..	{ 215,641	{ 1 Jan. " 1 July	
	157,500	667,000	{ 1 April, 1945	{ ..	{ 6,148,810	{ 3	{ ..	{ 184,464½	{ April " 1 Oct.	
Colonial Issue .. .. .	509,500	667,000	{ 1 Sept., 1905	..	667,000	3½	..	23,345	1 Mar. " 1 Sept.	
Naval and Military Settlers' and Volunteers' Land Act, 1892	..	30	{ 31 Dec., 1907	..	30\$	..	..	..	..	
Native Land Purchases Act, 1892 (Renewed under the Aid to Public Works and Land Settlement Act, 1899)	..	125,000	31 Oct., 1906	..	125,000	3½	..	4,375	30 April and 31 Oct.	‡ £67,200 of this amount will be recouped by the Government Advances to Settlers Office.
Land for Settlements Act, 1892 (Renewed under the Land for Settlements Acts Amendment Act, 1899)	..	45,276	31 Oct., 1906	..	45,276	3½	..	1,585	30 April " 31 Oct.	§ Debenture not presented for payment.
Carried forward .. .. .	..	44,752,585	..	800,102	43,952,483	..	..	1,750,835	..	



Table No. 4.

STATEMENT of the ESTIMATED LIABILITIES chargeable on the CONSOLIDATED FUND (REVENUE ACCOUNT) outstanding on the 31st MARCH, 1892, 1893, 1894, 1895, 1896, 1897, 1898, 1899, 1900, and 1901.

	31st March, 1892.	31st March, 1893.	31st March, 1894.	31st March, 1895.	31st March, 1896.	31st March, 1897.	31st March, 1898.	31st March, 1899.	31st March, 1900.	31st March, 1901.
REVENUE ACCOUNT.										
Permanent Appropriations,—										
Civil List .. .. .	275 0 0	150 0 0	370 0 0	437 0 0	350 0 0	894 11 8	950 0 0	991 15 0	505 0	
Under Special Acts of the Legislature .. .. .	106 3 0	82 0 0	22 18 10	9 4 6	155 2 0	163 4 6	214 8 0	731 14 11	980 1 4	
Subsidies payable to Local Authorities .. .. .	2,227 0 0	1,042 0 0	897 16 4	939 3 10	1,170 3 0	651 15 0	631 5 0	867 12 6	136 13 0	
Under the Land Acts, payable to Local Authorities ..	3,014 10 2	2,693 6 1	2,553 2 1	2,553 2 1	2,553 2 1	2,553 2 1	1,824 0 6	1,757 0 1	1,757 0 1	
	5,622 13 2	3,967 6 1	3,843 17 3	3,953 10 5	4,228 7 1	4,262 13 3	3,620 10 2	1,984 18 5	4,848 2 6	3,328 19 5
Annual Appropriations,—										
Legislative .. .. .	66 8 5	16 6 6	222 10 0	10 13 0	15 17 7	.. .. .	87 4 11	45 5 10	33 19 4	51 1 2
Colonial Secretary ..	1,234 17 0	1,456 18 7	3,081 17 6	2,689 17 9	3,876 19 10	6,430 5 9	3,083 0 0	2,247 17 3	6,563 4 6	12,893 9 7
Colonial Treasurer ..	3,305 0 0	136 2 6	100 0 0	150 0 0	23 9 0	2,550 0 0	812 6 11	50 0 0	70 0 0	2,653 0 0
Minister of Justice ..	3,018 1 3	2,477 16 4	5,109 5 7	2,525 6 2	3,974 13 2	3,590 0 0	3,605 0 0	3,789 12 2	2,397 14 3	2,542 4 7
Postmaster-General ..	7,737 7 1	10,426 2 5	12,601 13 2	19,460 0 0	15,912 0 0	17,452 0 0	22,689 3 2	17,830 0 0	21,247 0 0	28,276 0 0
Commissioner of Customs ..	7,726 13 7	2,954 0 0	2,584 13 7	2,837 0 1	3,936 1 8	3,469 1 2	6,318 8 4	4,564 12 3	4,646 10 9	5,750 17 1
Commissioner of Stamps ..	223 1 1	618 4 8	207 17 10	2,232 17 0	219 2 7	345 2 0	346 1 0	745 3 11	529 16 8	5,506 14 2
Minister of Education ..	2,888 0 0	3,267 12 5	3,734 19 11	2,333 8 7	1,268 8 9	1,361 4 7	418 0 0	651 17 4	1,970 19 7	1,724 2 11
Minister of Labour ..	576 0 0	150 0 0	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	112 19 6
Minister of Native Affairs ..	2,498 19 6	3,357 2 0	76 14 11	57 7 4	815 10 5	213 10 10	149 19 7	56 2 8	42 9 0	6 0 11
Minister of Mines ..	.. .. .	.. .. .	1,815 4 4	1,936 16 2	2,037 4 3	2,266 17 3	2,521 16 10	2,633 18 10	4,335 1 5	3,202 6 2
Minister of Agriculture ..	59,907 15 0	55,399 16 1	56,669 5 0	61,912 6 2	52,542 7 4	65,971 3 1	74,818 16 6	66,169 16 11	74,911 6 6	90,777 9 3
Working Railways ..	.. .. .	.. .. .	742 10 0	413 12 3	108 14 4	181 14 9	2,556 5 4	185 0 0	185 0 0	81 0 0
Public Buildings ..	8,589 19 11	665 0 0	1,875 0 0	1,000 0 0	4,000 0 0	3,463 0 0	7,580 0 0	4,500 0 0	9,925 0 0	44,050 0 0
Minister of Defence ..	2,187 2 6	4,282 0 0	8,000 1 2	6,535 0 0	6,659 0 0	4,142 10 9	15,008 10 10	10,175 11 4	4,908 10 5	9,587 1 9
Minister of Lands ..	288 0 0	444 0 0	138 8 4	184 4 7	100 0 0	60 0 0	.. .. .	735 18 4	838 7 9	9,280 0 4
Rates on Crown Lands ..	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	460 0 0	600 0 0	980 0 0
Valuation Department ..	101,246 6 8	94,451 1 6	96,960 1 4	102,328 3 6	95,489 8 11	111,602 10 2	139,894 13 5	114,655 16 10	133,225 0 2	203,474 7 5
Services not provided for ..	.. .. .	.. .. .	814 2 9	420 4 9	.. .. .	522 8 0	.. .. .	.. .. .	3 7 6	25 0 0
Totals .. .. .	106,868 19 10	98,418 7 7	101,618 1 4	106,706 18 8	99,717 16 0	116,387 11 5	143,515 3 7	116,640 15 3	137,576 10 2	206,828 6 10







Table No. 7.

STATEMENT showing the Amount charged to UNAUTHORISED in each Financial Year from 1st July, 1875, to 31st March, 1901.

FINANCIAL YEAR.	CONSOLIDATED FUND.—REVENUE ACCOUNT.						OTHER ACCOUNTS.	PUBLIC WORKS FUND.	TOTAL.			
	Services not provided for.		Excess of Votes.		Total.							
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
1875-76 .. ..	13,167	4	8	19,195	17	1	32,363	1	9	3,155	9	2
1876-77 .. ..	18,397	17	1	13,398	7	0	31,796	4	1	3,490	6	1
1877-78 .. ..	19,079	12	6	58,709	17	2	77,789	9	8	653	6	5
1878-79 .. ..	11,413	16	1	47,466	4	5	58,880	0	6	3,938	14	8
1879-80 .. ..	5,818	9	9	18,466	2	1	24,284	11	10	1,005	3	10
1880-81 .. ..	6,151	13	9	37,825	6	6	43,977	0	3	13,443	11	3
1881-82 .. ..	3,899	16	3	38,474	18	9	42,374	15	0	13,590	6	10
1882-83 .. ..	4,473	15	8	64,631	0	2	69,104	15	10	12,343	2	2
1883-84 .. ..	7,293	9	9	45,284	2	6	52,577	12	3	9,003	18	7
1884-85 .. ..	5,981	17	8	39,039	17	11	45,021	15	7	7,163	15	3
1885-86 .. ..	9,337	11	2	47,106	10	3	56,444	1	5	13,965	10	1
1886-87 .. ..	14,337	19	7	38,117	13	5	52,455	13	0	6,212	16	7
1887-88 .. ..	7,303	17	10	42,104	15	10	49,408	13	8	27,821	16	11
1888-89 .. ..	3,521	18	2	35,157	16	5	38,679	14	7	13,506	2	8
1889-90 .. ..	4,412	5	3	43,257	1	0	47,669	6	3	23,631	7	1
1890-91 .. ..	10,610	1	0	76,778	5	11	87,388	6	11	5,459	18	11
1891-92 .. ..	2,288	3	2	21,026	16	4	23,314	19	6	9,183	10	6
1892-93 .. ..	1,741	7	10	28,283	15	11	30,025	3	9	4,754	17	10
1893-94 .. ..	2,350	7	0	7,376	7	4	9,726	14	4	522	12	2
1894-95 .. ..	8,985	3	7	9,148	0	5	18,133	4	0	1,890	7	5
1895-96 .. ..	22,422	16	10	16,229	5	9	38,652	2	7	16,995	9	9
1896-97 .. ..	3,188	17	7	24,195	2	9	27,384	0	4	24,726	3	6
1897-98 .. ..	2,258	19	7	39,314	13	4	41,573	12	11	4,743	17	10
1898-99 .. ..	3,305	15	11	36,468	0	10	39,773	16	9	2,304	8	10
1899-1900 .. ..	11,187	13	8	60,652	13	7	71,840	7	3	..	..	..
1900-1901 .. ..	26,367	18	6	62,788	3	2	89,156	1	8	662	7	7
										17,518	3	7
										107,336	12	10

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