

CONTENTS.

	PAGE
Results of 1901-2 :—	
Revenue	i
Expenditure	ii
Results at the close of 1901-2	iii
Public Works Fund	iii
Land for Settlements Account	iv
The Conversion Account	iv
New Zealand Consols Account	iv
The Loans to Local Bodies Account.. .. .	iv
The Public Debt	v
Our Late Loan Transactions	v
Government Advances to Settlers Office	vi
Valuation of Land Department	vii
The Natives and the Maori Councils Act	vii
Land for Settlements	viii
Crown Lands and Settlements	viii
Forests and Plantations	viii
The Health Department	ix
The Tourist Department.. .. .	x
Old-age Pensions	x
Land-tax and Income-tax	x
Gold-mining	xi
Proclamation of Rivers and Streams	xi
State Coal-mines	xi
Over-sea Trade	xi
Railways and Roads Construction	xii
Working Railways	xii
Mortgage-tax	xiv
Railway Reductions	xiv
Easy Terms for Bush Settlement	xiv
Concessions	xv
Concerning our Produce	xv
Financial Year 1902-3—	
Expenditure	xvi
Revenue	xvii
Estimated Results at the Close of the Current Financial Year	xviii
New Loan	xviii
Conclusion	xix

1902.
NEW ZEALAND.

FINANCIAL STATEMENT

(In Committee of Supply, 8th July, 1902)

BY THE ACTING COLONIAL TREASURER, THE HON. SIR JOSEPH WARD, K.C.M.G.

MR. GUINNESS,—

Owing to the presence in London of my colleague the Right Honourable the Premier and Colonial Treasurer, as the guest of the Imperial Government, the duty of preparing this year's Financial Budget falls to me; and I trust that in placing the position of the colony before honourable members they will give me credit for an earnest desire to do so fairly and impartially. It is unnecessary for me to say that in temporarily taking up the work of my distinguished chief I am undertaking no light task, but I approach it with confidence, relying on the consideration and courtesy which have always been extended to me by honourable members.

The year has been an eventful one for the Empire. The South African War has been ended upon terms satisfactory to all parts of the British Dominions, and the generous consideration to our former foes will, I feel sure, be justified by the event in hastening the time when they will forget the bitterness of the struggle and become loyal, prosperous, and contented subjects of the Crown. Such a result will be a full and sufficient reward for the sacrifices we made during the war.

The enthusiastic manner in which the people of New Zealand had set themselves to celebrate the coronation was unhappily marred by circumstances with which all are familiar, and upon which it is unnecessary for me to dwell further than to voice the deep sorrow and regret felt throughout New Zealand. Happily His Majesty is now reported to be progressing favourably—indeed, the latest announcement is that he is out of danger. His complete recovery will be heralded by the people of New Zealand with pleasure equal to that felt in any other portion of the great Empire over which he rules.

There have been no very remarkable occurrences to chronicle in our own colony. Its position, whether viewed from the agricultural, pastoral, or commercial side, is a matter for congratulation. Our advantages in soil and climate are great, and we have much to be thankful for in our immunity from drought. Yet there is much to be done, especially for the settlers in the back blocks; but the development that has already taken place testifies to the energy and industry of our people, and gives promise of better things to come.

RESULTS OF 1901-2.

REVENUE.

The revenue proper of last year exceeded six millions—the highest in the history of the colony. The actual figures are £6,053,070 1s. 6d., or £234,451 in excess of the estimate and £200,364 9s. 6d. in excess of the revenue received

during the year ended March, 1901. This has been obtained not only without extra taxation, but in spite of large concessions made in Customs duties, in railway rates and fares, and in the adoption of penny postage of letters. Such expansion is, I think, satisfactory evidence that our people are prosperous and our trade is flourishing.

Table No. 2 attached to this Statement will show honourable members the exact results of the actual over the estimated revenue under the various heads: it is hardly necessary, therefore, to set the figures down here. I may, however, mention that Customs exceeded the estimate by £91,116, Railways by £109,488, and, notwithstanding the gift to the colony of the penny postage, Stamps (which include the postal revenue) by £5,171.

Comparing the actual revenue of last year with the figures of the preceding year, Customs show an increase of £20,254, Railways of £148,847, and Stamps of £4,736.

The land-tax and income-tax receipts for the year exceeded the estimate by £7,835 and £4,397 respectively, and the receipts of the previous year by £18,252 and £5,588.

The only head of revenue which did not come up to the estimate or to the previous year's collections was the territorial revenue, which was £20,380 under the estimate, and £20,584 less than the amount received during the previous year. This is accounted for by a falling-off of receipts from cash land-sales; but, as these receipts represent the realisation of our national assets, I do not deplore the falling-off.

In addition to the revenue proper as above mentioned, further receipts were brought to credit as by law provided—namely, £57,000 proceeds of debentures issued against the increases to the Sinking Fund for the current year, and £42,768 19s. 6d. representing recoveries of expenditure charged during the preceding year, principally in connection with the cost of our contingents in South Africa. Total receipts from all sources reached £6,152,839 1s., as compared with £5,906,916 3s. 9d. of the previous year.

EXPENDITURE.

Our expenditure last year was abnormally large, reaching £5,895,914 12s. 2d., or £416,211 2s. 10d. in excess of the expenditure of the year 1900–1, but £2,787 7s. 10d. within the estimates of the year to which the expenditure relates. The precise figures relating to the actual as compared with the estimates will be found in Table No. 2 herewith.

It is an oft-told tale, but it is right to mention the exceptional cause of this large expenditure. I may therefore be forgiven for only briefly referring to it, but I shall confine my remarks to the principal increases in the expenditure of last year, as compared with the previous twelve months.

Interest and sinking fund have gone up £58,323, which must be expected as long as it is necessary to raise loans for carrying out our public-works policy. Our old-age pensioners cost us £10,861 more than the preceding year. There was, however, a saving of £12,748 in subsidies. For all services the expenditure under permanent appropriations increased by £62,445 over the previous year.

It is, however, in the annual appropriations that the large increases are to be found. In the Colonial Secretary's Department the expenditure increased from £110,555 to £229,717, giving an excess of £119,162, made up principally of the cost of the visit of the Duke and Duchess of Cornwall and York, the Imperial regiments, and costs incidental thereto, which may be set down at £87,000. The taking of the census also increased our expenditure by £18,000, and the increased volume of parliamentary and departmental work caused the Printing and Stationery Department to draw upon us for £4,000 extra. The two new Departments of Public Health and Tourists more than dispose of the further extra expenditure. In the Department of the Postmaster-General an increase of £47,453 is to be found, arising from the continued general expansion of the postal and telegraphic business and from additional cost involved by the introduction of the penny post. Our national system of education is answerable

for an increase of £57,579, the result of increased grants in terms of the amended scale brought into force last year. In the Department administered by my colleague the Minister for Agriculture the expenditure increased by £26,408. The purchase of land for experimental farms, and the erection of necessary buildings thereon, and the cost of their upkeep, involve a large expenditure. These farms, however, are doing very good work, and it will not be long before they are self-supporting. The passing of "The Slaughtering and Inspection Act, 1900," necessitated the engagement of additional veterinarians and assistants; and a considerable sum required to be expended in the purchase and importation of stud horses and cattle. My own Department of Working Railways, I notice, is answerable for an increase of £135,939 over last year's figures. This additional expense had to be incurred in order to cope with the very largely increased traffic, to meet which some 445,000 extra train-miles had to be run. The visit of the Royal party necessitated heavy extra outlay to insure, by extra care and precautions, the safety of our Royal guests while travelling on the railway-lines. Twenty-three miles of new lines were added, and many additional train facilities were introduced for the comfort and convenience of travellers. All these items spell additional cost.

Including services not provided for, the increased expenditure under the annual appropriations of last year over the previous year amounted to £353,766. Adding these last figures to the £62,445 increase under the permanent appropriations gives £416,211 of increased expenditure during last year, as I have already stated.

In addition to the ordinary departmental expenditure a sum of £19,000 was paid for the redemption of debentures at short currency issued under "The Land for Settlements Consolidation Act, 1900," and £500,000 were paid over to the Public Works Fund in accordance with the Budget Statement of last year and parliamentary authority duly obtained.

RESULTS AT THE CLOSE OF 1901-2.

The balance brought forward to commence the year amounted to £532,564 and the excess of revenue over expenditure for the twelve months resulted in an additional sum of £256,924; these sums together amount to £789,488, from which we have to deduct the transfer of £500,000 to the Public Works Fund and the £19,000 for debentures redeemed, leaving £270,488 as a surplus at the close of the year, which I am sure honourable members will agree with me in thinking is an exceedingly satisfactory result of the year's transactions.

PUBLIC WORKS FUND.

My colleague the Minister for Public Works is desirous of presenting his annual Statement as early as possible, and will therein give you full details of the expenditure out of the moneys at credit of this fund. These, in conjunction with the statement of account already gazetted (a copy of which has been laid before you), render it quite unnecessary for me to go into any elaborate review in this place of the transactions within the fund. I may mention, however, that we received during the year the sum of £1,000,513 19s. 2d. from the sale of debentures under the authorising Act of 1900, and £1,062,666 13s. 4d. from the sale of stock and debentures issued under the Act of 1901. Besides the half-million transferred from the Consolidated Fund, moneys amounting to £1,615 12s. 2d. were received in connection with the Ellesmere and Forsyth Reclamation and Akaroa Reclamation Trust. These figures, added to the balance brought forward at the commencement of the year, amounting to £232,515 18s. 1d., produced available ways and means for the year of £2,797,312 2s. 9d. The ordinary expenditure amounted to £2,143,252 14s. 9d. £200,000 in respect of advances obtained during the preceding year were paid off, thus leaving a balance in the fund at the close of the year of £454,059 8s., which will be supplemented by the balance of the million loan to be received during the current year, roughly estimated at £100,000. I shall have something to say about the increased public-works expenditure when I am dealing with the proposals for the current year.

LAND FOR SETTLEMENTS ACCOUNT.

Full particulars connected with the receipts and expenditure within this account will be found in Table No. 1, which is appended hereto, and my colleague the Minister of Lands will supplement this information in his annual report to be laid before Parliament.

THE CONVERSION ACCOUNT

The transactions in this account were not very numerous or large. £324,900 of debentures were converted into 3-per-cent. Inscribed Stock, and £51,330 of debentures were paid off.

NEW ZEALAND CONSOLS ACCOUNT.

The operations in this account during the year were small, only £8,935 being deposited. Probably these restricted operations arose from the better rate of interest obtainable from investments in other Government securities. We may therefore look for larger deposits during the current year, when Government debenture securities are not likely to yield the investor quite as much as they did previously.

THE LOANS TO LOCAL BODIES ACCOUNT.

The transactions within this account have been numerous and large. Local authorities have been anxious to avail themselves of the very low rate at which they can obtain loans for public works, and a glance at the account, as exhibited in Table No. 1 herewith, will show how freely advantage has been taken of the opportunity of obtaining loans at the low rate of $3\frac{1}{2}$ per cent., including sinking fund. The necessity for drainage-works imposed upon local bodies in the interests of public health, and the building of abattoirs, has compelled many local authorities to ask the Government to assist them by loans of cheap money.

Up to the 31st March last the total amount of debentures created and issued and carried into this account was £1,744,100, and the total disbursements have been—to local bodies, £1,347,028; to Lands and Survey Department towards opening up blocks of land for settlement, £314,335; and to Public Works Fund, £89,800, in exchange for debentures under “The Roads and Bridges Construction Act, 1882.”

In anticipation of “The Government Loans to Local Bodies Act Amendment Act, 1898,” being repealed on the 1st April last, numerous applications for loans of large amounts have been received for the construction of waterworks. This accounts for the amount of grants far exceeding those of any other year since the Government Loans to Local Bodies Acts have been in force.

Applications for loans under “The Public Health Act, 1900,” for drainage and sanitary works, and also under “The Slaughtering and Inspection Act, 1900,” for construction of abattoirs, are constantly being received. These grants, although proving of great benefit in respect of the public health, tend very materially to swell the amount it becomes necessary to borrow in order to provide loans authorised by these Acts.

I deem it right to mention that, as the applications for loans from the Treasury have now reached such large figures—of late years they have more than doubled—it is quite clear that local authorities must be content with the existing borrowing-powers, and must not ask the Government to increase their facilities for obtaining money grants for local purposes.

The balance at credit of the Loans to Local Bodies Account on the 31st March, 1901, was £27,973. Debentures for £213,200 were created and issued during the past year, and refunds of unspent balances of grants were received amounting to £2,107. Payments on account of loans were made during the year—to local bodies, £208,531, and towards opening up blocks of land for settlement, £31,979—leaving at the end of last year a balance of £2,770 to the credit of the account.

THE PUBLIC DEBT.

The gross public debt on the 31st March, 1901, was £49,591,245 ; on the 31st March last it was £52,966,447, or an increase of £3,375,202 for the year. The net public debt on the 31st March, 1901, was £48,557,751, and on the 31st March last it was £51,837,631, or an increase of £3,279,880 for the year. The figures for the year were abnormally increased by the million really belonging to the preceding year's transactions, and by the necessity for providing money to pay for the purchase of lands acquired under "The Land for Settlements Consolidation Act, 1900." These two parcels of loan moneys amounted to £1,897,150. Reducing this amount by £350,000, representing the excess loan money for land-settlements purchase, the increase may be set down at a little over £1,800,000. It cannot be too often emphasized that we must take into consideration that our national debt is added to every year by loans which are of a directly remunerative character, and that the interest payable in respect of them is immediately recouped and is not made a burden upon the taxpayers: in this connection £500,000 of loan was obtained for the Advances to Settlers Office, £213,000 for loans to local bodies, £897,150 to acquire lands for close settlements, and £8,935 for deposits in our New Zealand Consols. These loans, which do not impose a burden on the taxpayer, amounted to no less a sum than £1,619,285: of this sum £340,000 were used to pay off advances previously obtained. £2,250,000 were raised under the Aid to Public Works Loan Acts of 1900 and 1901, and £200,000 of previous advances were paid off. £57,000, proceeds of sinking fund accretions debentures, were obtained, and the debt was further added to by £7,917, arising out of various conversion operations. £19,000 of "Land for Settlements Act, 1900," debentures were paid off.

£250,000 of debentures issued under "The Aid to Public Works and Land Settlement Act, 1896," fell due on the 1st February last, and were converted into 3-per-cent. Inscribed Stock.

OUR LATE LOAN TRANSACTIONS.

Our loan transactions last year were heavy, for we had to bring into the year 1901-2 loan moneys amounting to one million which really ought to have been raised in time to be included in the transactions of the year 1900-1, had the condition of the British money-market been favourable.

"The Aid to Public Works and Land Settlement Act, 1900," authorised the raising of £1,000,000 ; but after the authority had been obtained the value of gilt-edged securities on the London money-market fell very considerably, and our financial advisers did not think it would be wise to go upon the open market. In March, 1901, an offer to place £500,000 was made and accepted. The purchase-money (at par) was placed to the credit of the New Zealand Public Account on the 1st of April following. Currency was for two years, and rate of interest 4 per cent. ; the debentures to be convertible, at the option of the holders, at any time during their currency, into 3-per-cent. stock at 103. The price obtained was $1\frac{1}{2}$ per cent. better than a very much older colony was able to get at about the same time. In my colleague's Budget of last year particulars of the raising of the second moiety of the 1900 loan were given at some length.

Under the authority of "The Aid to Public Works and Land Settlements Act, 1901," the Government determined to place upon the London money-market one million of the loan so authorised, together with half a million authorised by "The Government Advances to Settlers Act, 1894." Applications were therefore invited by the Bank of England in November last for the purchase of 3-per-cent. Inscribed Stock to the amount of £1,500,000, the price of issue being at £94 per cent., and the first dividend to be for a full six months' interest, payable 1st April, 1902. The loan was underwritten at the market fee of 1 per cent.

The applications were to be accompanied by a deposit of £5 per cent., and further payments were to be made of £19 per cent. on 6th December, 1901 ;

£25 per cent. on 21st February, £25 per cent. on 21st March, and £20 per cent. on 21st April, 1902. The instalments might, however, be paid in full on or after the 6th December, 1901, under a discount at the rate of £3 per cent. per annum.

The Government were disappointed that the public applications did not fully cover this loan. The causes, however, are not far to seek. The times were dull, and the money-market was loaded with undigested stock of other colonies, in addition to which the Imperial Government were issuing loans, and the money-market was holding off for bargains. The chief consideration with us, however, was to secure the best price, and it was felt that the underwriters would take care to see that the *bonâ fide* investing public would apply as freely as possible. Having regard to all the circumstances telling against a successful flotation, the colony is, I think, to be congratulated at obtaining such a price as 94, for I am able to say that had the money-market been approached in the usual manner the issuing-price which would have been named, even with easy terms as regards payment of instalments, would have been not much, if at all, over 92. Although the public did not come in and take up the whole loan, it is satisfactory to know that there were no less than 519 applications, all from *bonâ fide* investors—a result which compares very favourably with previous loans.

“The Aid to Public Works and Land Settlement Act, 1901,” authorised the raising of £1,250,000, of which £1,000,000 were raised in London, as I have just described. With regard to the remaining £250,000, my colleague was advised to offer it for Treasury over-counter sales at 4 per cent., making the currency three years. This method of issue proved very popular, and was availed of to the extent of thirty applications, extending over a period of five months. As in the case of the local half-million loan issued under the Act of 1900, purchasers had the option of having the debentures domiciled either in this colony, Sydney, Melbourne, or London. Five parcels were made payable in Sydney, three in Melbourne, and two in London. The largest amount purchased was £150,000, and the smallest £100.

The Government having decided to acquire large areas of land during the year for close settlement under the provisions of “The Land for Settlements Consolidation Act, 1900,” it became necessary to finance in advance so as to have funds available for the purchase of estates in spot cash as soon as the conditions of purchase became completed. Treasury over-counter sales being successful, it was determined to issue three-years debentures at the rate of 4 per cent. per annum from date of lodgment of the purchase-money, the debentures having similar provisions respecting domicile of principal and interest to the debentures issued under the Act of 1901. These over-counter sales continued throughout the year, and have been largely taken advantage of. We sold £879,150 of debentures by this means without commission, advertising, or other usual flotation expenses. Fifty-six purchases were made, in sums ranging from £125,000 to £100; four parcels being made payable in London, eight in Sydney, and nine in Melbourne; sales being at par, except in one case, where one-quarter per cent. premium was paid by the purchaser.

With the advent of peace I anticipate a much easier money-market. Prices of our stock in London have already gone up appreciably, and when the Imperial authorities have placed their next loan I am of opinion that rates for money will drop. Under these circumstances I have discontinued the issue of 4-per-cent. debentures for these over-counter sales, and am substituting a 3½-per-cent. rate instead. Of course, this rate of interest will not be so popular, and diminished sales may possibly result.

GOVERNMENT ADVANCES TO SETTLERS OFFICE.

The business done during the past year was a little less in volume than in the previous year.

For the sixth year in succession the Department is able to say that on the 31st March last no sum of either principal or interest was outstanding in respect of the year ended 31st March previous; and on the same date (31st March last) it had no properties on its hands.

Since the establishment of the office a sum of £96,000, representing the 1-per-cent. sinking fund, has been paid to the Public Trustee to provide for the redemption of loans forty-three years hence. There has also been paid during the past year to the Public Trustee a sum of £23,000 to credit of an Assurance Fund (the balance of which is now £43,000) to provide against losses, of which none have yet been charged to the fund.

The cost of raising loans has been written off to the extent of £30,000 out of profits. This amount, it will be found, is a fair proportion of the total sum charged under the heading "Charges, Expenses of raising Loans to 31st March last," chargeable to the seven years the office has been in existence, bearing in mind that as the mortgage-advances approach maturity the periodical instalments payable contain more principal and less interest.

Some honourable members are inclined to think the Department has erred on the side of caution, but I agree with my colleague the Colonial Treasurer in considering that the Board is bound to exercise the utmost prudence and care in the investment of its funds.

That the operations of the office have been successful even beyond expectation cannot be gainsaid. To this success the era of prosperity which has prevailed since the inauguration of the scheme has no doubt largely contributed, but prudent administration is also entitled to a fair meed of commendation.

VALUATION OF LAND DEPARTMENT.

The operations of this Department, round which a very fierce light generally shines, have been continued during the year, and the time is now within measurable distance when the values all over the colony will have been dealt with. Reference to a *Gazette* issued prior to the 31st March will show the districts which were revised last year. During the coming year it is intended to devote attention chiefly to the large cities and towns.

The amounts chargeable to local authorities under the regulations issued last year have been somewhat reduced, and a better understanding now prevails on the subject of the cost and of the valuations generally. I am aware that complete accord does not yet prevail, but it would be nothing short of miraculous should such a condition of affairs exist when the nature of the operations of the Department comes to be considered. The Department is, however, under the guidance of my honourable colleague, gradually winning its way into popular favour, so far as that is possible.

THE NATIVES AND THE MAORI COUNCILS ACT.

I am glad to announce that a brighter page is unfolding for the Native race of this country. The last census shows that not only has their decadence been arrested, but that improvement has set in, and in many districts an increase in their numbers is observable. Their own capacity for advancement, in which lies their future hope, has been fully demonstrated in the excellent and effective manner in which they have administered and carried out the principles of local self-government conceded to them. Under "The Maori Councils Act, 1901," their social condition is improving, their villages and homes are brought under inspection, and regulations are made for insisting on a higher and purer standard of housing, of food and water-supply, of sanitation, and other health considerations, all of which are being done by themselves. I have every hope, strengthened by these facts, that the extinction of the race, which has so often been predicted, is not to be, but that the Native race will rise to high development. The different Native centres of the colony, especially Upper Wanganui, the East Coast, Bay of Plenty, Waikato, and Te Kuiti, have been visited during the recess by the Native Minister. Large meetings were held to discuss the objects and principles of the Maori Lands Administration Act, which constitutes a new departure in the administration of the Native lands more in keeping with the genius of the Native race and the requirements of the times. Great care and much time were necessary to instil into the Native mind a full understanding of the public policy involved, the new

method of administration, and the machinery needed to give effect thereto. It is satisfactory to be able to say that the influence of the Minister among his people is producing most satisfactory results. In many cases deep-rooted prejudices have been overcome, and ignorance dispelled. Elaborate explanations have been given on every point or matter arising out of the consideration of the subject. The results have justified the patient steps which have been taken in securing the voluntary acceptance of the new law by the Native land-owners. Large areas in the several districts have already been, and are now being, transferred to the Maori Land Councils for administration under the Act, which lands will be cut up and thrown open for settlement upon terms advantageous to both races.

LAND FOR SETTLEMENTS.

Including five estates on hand at the beginning of the financial year, twenty-eight estates, comprising 114,672 acres, were committed to the control of the Lands and Survey Department during the year, and of these, eighteen, containing 85,023 acres, were thrown open for selection, with the result that 69,929 acres were selected by 230 persons up to the 31st March last. The principal properties dealt with were the Hatuma (compulsorily acquired) and Manga-a-toro in Hawke's Bay, and the Glenham Estate in Southland. Four estates were opened under the workmen's homes system with fair success. The result of the year's operations is very satisfactory from a settlement point of view.

The number of estates which have been placed on the market since the initiation of the land-for-settlements policy is ninety-seven, comprising 418,720 acres. The number of tenants is 2,033, occupying 386,529 acres, and paying £101,057 14s. annual rental.

I have much pleasure in stating that the progress of the settlers generally is most satisfactory, and it is not too much to claim that the result of the policy has been of immense benefit to the selectors and their families, and to the colony at large.

CROWN LANDS AND SETTLEMENT.

Land-settlement has been developed as far as practicable, though necessarily the failing supply of suitable Crown lands, and the great difficulty of extending roads into the more distant and inaccessible portions of the colony, tended to limit the actual area taken up and occupied under the various systems of the Land Act. Notwithstanding these drawbacks, 2,159 selectors took up 1,094,086 acres, of which 572,050 acres are comprised under pastoral runs, the greater portion of the balance being allotted mainly under the residential and improvements conditions of the Act.

The land revenue collected by the Department amounted to £427,138, including £249,619 under the heading "Territorial." The total number of Crown tenants on the departmental registers is 18,521.

Nothing can be of more importance to the colony than the well-being and prosperity of the land-holders, whether under the freehold or various leasehold tenures. It is satisfactory to note that the reports of the Land officers throughout the colony testify on the whole to the general improvement and increased productiveness of the Crown tenants' holdings.

No efforts will be spared on the part of the Government to do all that is possible to aid and encourage the small settlers until they shall have attained an assured position.

FORESTS AND PLANTATIONS.

In pursuance of the decision of the Government that the remaining areas of forest in the colony should be conserved and dealt with in a systematic manner, the Government have under consideration the whole question of how best to deal with this important matter. Special attention is being given to

the reservation of all forest upon the mountains and higher table-lands, to insure the maintenance of rivers and streams, the gradual distribution of rainfall, the protection of the surface of the country from degradation, and the prevention of the destruction of lands in the valleys or their deterioration by the deposit of detritus, whilst maintaining the climatic equilibrium, protecting the native flora and fauna, and doing all that is possible to preserve the beautiful scenery for which the colony is famed. On a smaller scale scenic effect is being attended to by the reservation of forest lands in gorges and on river-banks and the higher portions of the colony, so as to preserve all places of natural beauty which serve to make New Zealand attractive, especially from a tourist point of view.

The additional area reserved during the financial year amounted to 195,587 acres, making a total area set aside of 2,552,067 acres. The revenue derived from the State forests during the year was £17,188, and the expenditure £10,334. The latter was chiefly devoted to the maintenance and extension of nurseries for the growth of trees for planting out upon selected areas.

Additional information has been obtained as to the area of the remaining forests suitable for milling purposes, and a rough estimate has been made of the quantity of kauri and other timbers in the Auckland, Poverty Bay, and Westland districts, which, though more satisfactory than previous estimates, points to the conclusion that in a comparatively few years' time the great natural resources of the colony as represented in its wealth of forest will fall lamentably short of requirements. In consequence the Government have in contemplation a large expansion of tree-planting operations; and it is fortunate that we possess a large area of land in the central districts of the North Island which, though not well adapted for agricultural and pastoral purposes, is believed, as the result of trial plantations, to be well suited to the growth of vast forests of specially selected and valuable trees. The rapid growth which fortunately attends operations of this character in New Zealand indicates that, if the work is taken up with energy and carried out under the best expert advice, the colony would, in a comparatively short time, be in a position to maintain its timber-supplies for home and export purposes, and thus sustain the many industries dependent thereon.

THE HEALTH DEPARTMENT.

Although we have not been successful in preventing the occurrence of plague in the colony, yet I am glad to say the Health authorities have in each instance been able to so circumscribe the sphere of action of these cases that nothing in the nature of an epidemic has taken place. A system—upon which we are to be congratulated—has been arranged whereby the interference with trade consequent upon the usual quarantine regulations has been avoided, and a greater measure of safety against the introduction of infectious disease has been effected.

The provision of hospitals for the reception of infectious diseases generally has at last been put upon a sound footing, the various local authorities having joined hands at the instigation of the Department.

The unprotected state of our children against small-pox is a matter for the very greatest regret. Provision has been made for the supplying of pure calf-lymph free of charge to all; and it is to be hoped that all parents will see their way to take full advantage of the assured purity of the lymph and the increased facility offered to have their children vaccinated. The constant intercommunication with countries infected with small-pox is an element of great danger.

A systematic examination of the various foodstuffs is now being made, and already several prosecutions have taken place.

We have been negotiating for the purchase of land and buildings for use as sanatoria for the scientific treatment of that greatest scourge of modern times, consumption. I am happy to say that negotiations have been brought to a close by the purchase for £4,000 of a property near Cambridge consisting of 1,000 acres of land, together with a residence containing twenty rooms. We may congratulate ourselves upon this purchase, which will be found most suitable in

every way, and will be put to use without delay. I hope soon to complete arrangements for the establishment of another Sanatorium in the South Island.

Several serious outbreaks of infectious diseases have been investigated, and a great deal of scientific work, having for its object the combating of preventable diseases, has been undertaken.

The aim of the Department has been to lead public opinion wherever possible, and to coerce only when by no other course could the general safety of the colony be assured.

THE TOURIST DEPARTMENT.

The Tourist Department was brought into existence in February of last year, primarily to develop the exceedingly valuable asset which the colony possesses in its natural scenery and thermal wonders, to bring these and the advantages of the colony generally more prominently under the notice of tourists, investors, and probable settlers; also to give to travellers, residents in the colony, and inquirers abroad reliable information regarding the colony. Although not a direct revenue-producing department, it is hoped that as a result of its establishment the stream of tourist visitors will be considerably augmented and thereby increase the wealth of the colony by the money which will be spent in travel and accommodation. The revenue of the Railway, Post and Telegraph, Customs, and other departments will increase with the tourist traffic.

The tourist and health resorts of Rotorua, Hanmer, Mount Cook, &c., have been placed under control of this Department. The receipts from these resorts for the past year amounted to £5,491, giving an increase of £1,311 over the previous year. The Balneologist has commenced his duties, and I feel quite sure that health-seekers and the general public who visit our thermal districts will be greatly benefited by his researches and advice.

OLD-AGE PENSIONS.

Last year the estimated amount required for old-age pensions was £215,000, while the amount actually paid was £207,468. It is estimated that £215,000 will be sufficient to meet all claims this year.

In his last Statement my colleague drew attention to the necessity for carefully guarding against imposition, especially on the part of those who act for Native applicants. During the year careful inquiries have been made into suspicious cases, with the result that a number of certificates improperly obtained have been cancelled.

To further safeguard the Department a Bill will be introduced this session giving Magistrates greater powers in dealing with cases of fraudulent misrepresentation.

As honourable members are probably aware, the two largest States of the Commonwealth have, by inaugurating old-age-pensions schemes, followed New Zealand's humane action of 1898. That those who during many years have helped to bear the public burdens and by their labour have played an important part in the building-up of a country should be allowed to claim State pensions as a right in their necessitous old age few, I think, are now prepared to deny; and the recipients are grateful to the Legislature which has enabled to thus secure them independent means.

LAND-TAX AND INCOME-TAX.

The revision of land-values has been continued during the year, and, as a result of the year's work, I anticipate a further increase of £12,000 in the land-tax receipts. The activity of the land-market, and the prices readily obtainable for land in most of the districts of the colony, justify the opinion expressed last year that the land-tax revenue would increase year by year until the valuations were finished. I estimate this year's revenue at £300,000. The increase is the more satisfactory as it has been obtained notwithstanding the acquisition by the Crown of many taxable estates for the purposes of close settlement.

As regards the income-tax, I do not apprehend that the steady increase which has continued since its inception will be checked. I place this increase, however, at the moderate sum of £6,000, raising the estimated receipts to £185,000, which, with the £300,000 of land-tax, makes a gross total of £485,000—a sum greater than has ever been received from direct taxation.

The buoyancy of the revenue under this heading proves conclusively the prosperous condition of our farmers and the productiveness of our soil, and, further, the soundness of business generally, as evidenced by the increasing profits of our merchants and others who contribute to the income-tax.

GOLD-MINING.

Gold-mining continues to make steady progress throughout the colony. Although there has been a decreased yield from some of the quartz-mining districts, this is more than compensated for by the steadily increasing yields from the Ohinemuri and Reefton districts.

The returns from alluvial mining and gold-dredging are still on the increase. During the past few years a large area of ground abandoned by the early gold-miner has been taken up for dredging, and is now adding its quota to the wealth of the colony. Many of the companies which were floated during a period of excitement have been liquidated, and the industry is now on a more stable basis.

The anticipation in the last Statement that the yield of gold would exceed that of the previous year has been realised, as the gold exported for the year 1901 was the highest since 1873.

PROCLAMATION OF RIVERS AND STREAMS.

The proclamation of rivers and streams as watercourses into which tailings and mining *débris* could be discharged has been proceeded with as fast as circumstances would permit. The number of rivers and streams proclaimed during the year 1901 was thirteen, making a total of 136 now under the operation of the Mining Acts.

STATE COAL-MINES.

In accordance with the decision of Parliament at its last session to establish State coal-mines, prospecting operations have been carried out on a portion of the land formerly held under lease by the late Westport-Cardiff Coal Company (Limited) at Seddonville. It affords me pleasure to state that these operations have so far proved satisfactory.

The coal leases formerly held by the Greymouth-Point Elizabeth Railway and Coal Company, and the partially constructed railway, have been acquired by the Government.

Prospecting operations for the purpose of furnishing data for the development of this property have been commenced.

In the laying-out and working of the State collieries due consideration will be given to safety, economy, and the efficient extraction of the coal with the least possible waste. To insure this, it is absolutely necessary for the mines to be opened out on a systematic and comprehensive plan.

OVER-SEA TRADE.

In March, 1901, a Trade Representative for our colony was appointed, with instructions to proceed to South Africa, United Kingdom, India, China, and Japan, to report on the markets of those places, and advise the Government as to the possibilities of extending the colony's trade in those directions. Interim reports are to hand containing valuable information, and it is expected that from the information received good practical results will follow. The departmental report will contain full details.

Tenders, closing on the 14th February, were invited for a steam service to South Africa, but unfortunately only two tenders were received; these tenders were practically counter-offers. As neither was on the exact lines of the

specifications, unavoidable delay has resulted. The first and second proofs of the draft of the contract have been received, and have been carefully considered. Suggested alterations and amendments have been cabled to the Agent-General, and I have every reason to believe that the contract for a very satisfactory service will be signed almost immediately.

Arrangements are being made by which a weekly report of prices current for produce in London will be cabled direct to the Department of Industries and Commerce. These reports will on receipt be promptly circulated throughout the colony.

The House will be asked to make provision this session for the appointment of three Trade Representatives—one in South Africa, one in Great Britain, and one in Australia. Their services can also be availed of for the purpose of helping the tourist traffic to our colony, particularly from England and Australia.

RAILWAYS AND ROADS CONSTRUCTION.

Substantial progress has been made with the several railway-construction works in hand during the late financial year, the expenditure thereon having been greater than for many years past.

The expenditure during last year practically absorbed the whole amount voted for the purpose, the unexpended balance on the vote being only £813. I am not aware of any precedent for the expenditure on railway-construction so closely approximating to the amount voted for the purpose. An examination of the votes and expenditure for railway-construction purposes during the last twenty years shows unexpended balances at the end of the year ranging from £16,931 to £751,441, the smallest being in 1895-96, and the largest in 1884-85.

Honourable members will recollect that the total of the detailed authorisations was £602,024, but the amount voted for expenditure during the financial year only amounted to £561,524.

The progress made was especially marked in the case of the trunk lines, as is shown by the following table, giving particulars of the actual amounts voted for same, and the amounts expended thereon—first exclusive of permanent-way materials, and secondly with the value of the permanent-way materials issued to the line added:—

Line of Railway.	Actual Amount of Vote.	Expenditure on Construction.	Expenditure on Construction with Value of Permanent-way Materials added.
	£	£	£
North of Auckland	27,980	27,545	41,874
North Island Main Trunk Railway	149,236	155,979	184,561
Blenheim-Waipara	41,973	48,382	65,824
Otago Central	93,271	93,779	103,273

The North of Auckland line includes both the Whangarei-Grahamtown and the Helensville Northwards Railways.

Similarly with regard to the construction of roads under the Department of Roads and Bridges. I find that £337,643 was voted, and £338,669 was spent. My colleague was therefore obliged to ask for authority to charge "Unauthorised" with £1,026 to cover the excess of expenditure which has taken place. The work done comprises 579 miles of engineering survey, 527 miles of dray-road, 268 miles of bridle-track, and 134 bridges (of a total length of 13,221 ft.) constructed; also 793 miles of dray-road and 83 miles of bridle-road improved, and 2,578 miles of dray-road and 1,247 miles of bridle-track maintained. In addition to this sum £47,906 was spent by the Mines Department for roads on goldfields, or a total expenditure (including cost of supervision) upon roads and bridges of £406,108.

WORKING RAILWAYS.

I desire to offer a few remarks concerning that great national asset, the railways. People have become so accustomed to the daily running of the railway system of the colony that very few take the trouble to institute a comparison between the present means of locomotion and those which existed prior to the

establishment of the railway service. The enormous indirect value of our railways is not appreciated to its full. I have been at some pains to ascertain what was the cost by road and by rail of the conveyance of passengers and goods at two different periods—viz., 1875 and 1897. The information I have obtained shows that the rates now ruling for road carriage in those portions of the colony not yet served by railway vary but little from the rates ruling for road conveyance in the early days of the colony, and they are still from twice to three times as high as the existing railway rates for similar distances.

In 1875 passenger rates were, for sixty-six miles, by road, £1; by rail for the same distance and between the same points they are now only 5s. 7d. The road rates in this case were thus 258 per cent. greater than by rail. If similar road rates were now charged on railways the charges to passengers for using our railways would be £1,602,229. Goods were charged £5 2s. 6d. per ton, against £1 10s. 1d. per ton respectively, or 241 per cent. more by road than by rail, and goods would cost for their carriage £2,676,485.

The total cost for conveying passengers and goods being £4,278,714, from which deduct £1,250,000 for railway expenses, we obtain a balance of £3,028,714. This amount capitalised at 3 per cent. produces £100,957,133, which are huge figures.

In 1897 the passenger rates were, for thirty-four miles, by road, 12s. 6d.; by rail between the same points they are now 2s. 11d., or 329 per cent. greater by road than by rail. If similar road rates were now charged on railways it would cost passengers £2,043,152 for the same distance. Goods were charged £2 5s. per ton, against 17s. 9d. per ton by rail, or 154 per cent. more by road than by rail; and under the same circumstances the cost of conveying goods would be £1,710,285. Continuing these results, and setting down the gross cost for carrying passengers and goods, as above, at £3,753,437, from which again deduct present railway expenses, £1,250,000, we obtain a balance in favour of the users of our railways of £2,503,437, which, capitalised at 3 per cent., gives £83,447,900.

I have shown only for the purposes of comparison what capitalisation on a 3-per-cent. basis of the saving of both periods, 1875 and 1897, would be to the users of our railways.

Our products are now being carried at far less than one-third the cost of land carriage by road-wagon, and our passengers at from one-quarter to one-sixth of the coaching-fares, and with vastly better accommodation, to say nothing of the saving of time and increase of comfort. The value to the country of its railways to-day is more than sufficient to cover our national debt. With regard to those who would starve the open railways, and who allege that all additions to open lines should be paid for from revenue: are these critics aware that for the fourteen years ending 1900 the railways of the United Kingdom increased their capital account by £348,000,000, and their mileage by 2,523 miles only, so that at least £300,000,000 was spent on improvements and additions to existing lines, charged to capital account during the fourteen years, or more than 25 per cent. of the total capital? Thus, during some fourteen years at the same rate, New Zealand, to compare, would have spent over £4,000,000 of capital on improvements and additions. As the business of the colony increases, capital must be found to provide and work the railways so as to stand the strain of congestion. Working-expenses cannot, and should not, do so. The Railway Statement, already placed before honourable members, contains many interesting details. I desire merely to direct attention here to the growth of traffic in a few items only.

Taking the years 1895 to 1902, I find that the passenger traffic has increased by 3,450,558; sheep by 1,204,939; goods by 1,480,786 tons; and the revenue from £1,150,851 to £1,874,586, an increase of £723,735. The expenditure for the same period has increased £520,077. The number of employees has increased from 4,957 to 8,313. The increase of traffic during the eight years represented by the figures quoted above is quite unprecedented in the history of our railways,

and is all the more remarkable when considered in conjunction with the very liberal concessions in fares and freights made by the Government during the period in which the lines have been under their control. These reductions are estimated to have amounted to £470,000 up to the 31st March last, truly a stupendous amount to have given away in concessions by way of reductions to the users of the State railways. Train services have been materially improved, and additional facilities afforded for travel, the cost of providing which has amounted to a large sum annually. As the same healthy trade and labour conditions still prevail throughout the colony—the prosperity of which is, I am glad to say, unimpaired—I confidently anticipate that the results of working the railways during the financial year will be satisfactory.

MORTGAGE-TAX.

Honourable members will recollect that my colleague intimated, some time ago, the intention of the Government to reduce the mortgage-tax as soon as practicable. It will generally be conceded that any relief in this direction must tend to bring about an easing of the local interest-market—a result in which the Government, as well as private borrowers, are much interested. There is no good reason why in the course of time the ruling rate for issue of Government loans in the colony should exceed $3\frac{1}{2}$ or even 3 per cent., and every relief given to lenders will tend to bring this about. As a step in this direction I am glad to be able to say that it is our intention to concede a reduction of 25 per cent. off the mortgage-tax, equal to £25,000. I trust that honourable members will recognise that this abatement is a very substantial instalment towards the end which I have just indicated.

RAILWAY REDUCTIONS.

It is with a great deal of pleasure that I intimate that the Government has decided to make further reductions this year upon wool freights and passenger-fares; also in rates for small lots of dairy produce, butter, cheese, eggs, bacon, poultry, and honey; in the minimum of artificial manures from 30 cwt. to 5 cwt.; and in the extension of period of free return of stud horses, cattle, and sheep. These concessions represent in round figures a reduction in rates of at least £40,000 per annum. The chief direction that the passenger reductions will take will be for long-distance fares. It will generally be recognised that those who wish to travel the greater distances upon our railways should have some inducement held out to them to do so; this, as a matter of business, is the correct policy to adopt. It is proposed to keep the universal system of charging that now prevails upon our railways in operation, with this material alteration: that after fifty miles the charge will be reduced, both for first and second class, by $\frac{1}{4}$ d. per mile for distances of fifty-one to a hundred miles, and then a further reduction of $\frac{1}{2}$ d. per mile for all distances of 101 miles and over.

This is a very material reduction. I first contemplated a still further reduction of the long-distance fares, but I feel that as a matter of prudence it is desirable to give a reasonable trial to these amended rates and obtain the practical result of their working before going further—a course which will, I think, commend itself to those who think the matter out impartially.

I am confident that these alterations, which are quite independent of the popular excursion rates (which will still be continued), will be appreciated by the public generally, and I have little doubt that the increased number of people who will avail themselves of train-journeying will make up for the reductions of the fares at a very early date. I do not anticipate, judging by the additional traffic which the former reductions in fares have brought to our railways, that the loss in this respect will be long continued; on the contrary, I expect to see the revenue increased from it rather than otherwise within a reasonable time.

EASY TERMS FOR BUSH SETTLEMENT.

In order to assist settlement it is proposed to introduce a Bill this session providing that in all future disposal of bush lands on settlement conditions the selectors, upon payment of the first half-year's rent, will not be called

upon to make further payments of rent for the period of from two to four years of their leases, according to the expense of clearing, the rents remitted being capitalised and interest charged thereon for a period of ten years from the date that the rent became payable.

CONCESSIONS.

For the information of those who take an interest in the concessions that have been made by the present Government since they have been in power it may be convenient to state them, including the reductions proposed in this Budget. Naming only four heads of revenue, the concessions are as follows: Railways, £510,000; mortgage-tax, £25,000; Customs, £738,000; Postal and Telegraph, £181,000: or a total of £1,454,000. As the whole of the land and income tax collected in the colony in its highest year amounted to £492,000, some idea of the value of the concessions that have been given to the people of this country may be gauged from the foregoing figures. It certainly gives a flat contradiction to those who have declared that the burdens of the people have been added to by the present Government. The facts show quite the contrary, and I am quite confident that the people themselves are fully alive to the many advantages which have, by way of concessions, been conferred upon them, and which form but a portion of a policy that has in other ways done much to help them to more readily carry on the industries in which they are engaged.

CONCERNING OUR PRODUCE.

The export of dairy produce is steadily increasing, and it is pleasing to note that the quality is acknowledged by the trade to be amongst the best imported into Great Britain.

The frozen-meat market has been fairly good. Prices for wool have been extremely low, and considerable losses have resulted to exporters, but lately there is a decided upward tendency in the market.

The harvest was a wet one, and in one or two localities portions of the crops were damaged; prices, however, are good, which will help to make up for the loss in quantity.

The export of poultry to South Africa is new, and with a direct steamer service should increase to considerable dimensions. This branch of the work of the Department is making rapid strides, and it was impossible to cope last season with the demand for eggs and birds. Farms are now established at Ruakura, Momohaki, Burnham, and Milton, in the Auckland, Wellington, Canterbury, and Otago Provincial Districts respectively; also depots for the dressing and packing of poultry for export at Auckland, Wellington, Christchurch, and Dunedin.

To meet the general wish of the settlers in the Waikato an experimental farm has been established at Ruakura, near Hamilton. Some 600 acres were purchased, to which a reserve that was vested in the Waikato County Council for the purpose of a model farm has since been added. The soil is in every way typical of the Waikato lands, and should in a few years, after it has been worked up, prove of great assistance to the settlers in determining the most suitable crops to grow.

Arrangements are being completed to start the dairy school at Weraroa Farm, Levin. A considerable area of the farm has been cleared and stumped to enable the necessary cultivation to be carried out to provide fodder for wintering the cows successfully.

The question of securing a suitable site in the Middle Island for one or two farms is receiving attention.

At Wairangi, where the soil is of the poorest description, the growing of vines has been successfully demonstrated, and the vintage, both last season and this, is very encouraging. A further area of 700 acres has been secured for the purpose of planting with fruit-trees and vines. This it is proposed to lease in small areas to practical settlers on easy terms.

FINANCIAL YEAR, 1902-3.

Honourable members will be anxious to hear what our financial position is likely to be during this current year. I shall, therefore, without further preamble, give a forecast to the best of my ability.

EXPENDITURE.

In framing the estimates for the present year I have been confronted with a task of considerable magnitude. The progress and prosperity of the country have made such strides that, as a corollary, we find demands being made for greater assistance, larger and increased facilities, and from all quarters applications to Government departments which involve an increased expenditure of public moneys. As I have already said, the task of framing the estimates of expenditure has been by no means light, but I have insisted upon the most rigid economy being observed; and, although the total is large, I am quite satisfied that honourable members will find that if legitimate demands have to be met I am not asking for too much.

The total estimated expenditure out of our ordinary revenue account is set down at £5,987,063, which is £91,149 in excess of last year's expenditure, and £88,361 more than last year's estimate.

I append a table which gives in a concise form a comparison of the various heads of expenditure, with the actual figures for last year for similar services.

I shall, however, as briefly as possible explain to you some of the principal differences between this year's estimate and last year's expenditure. Interest and sinking fund have increased by £89,000. The large amount of additional loan-money is responsible for this. Next we have an increase in the permanent charges under various Acts; this amounts to £26,000. Out of this £21,500 have to be provided for the Australasian Naval Squadron contribution, £8,000 for old-age pensions, and £4,000 for subsidies to local authorities. On the other hand, there is likely to be a saving of £5,000 in respect of subsidies to hospitals and charitable institutions, £2,000 on payments to the Westport Harbour Board on account of its endowments, and £2,000 on "thirds" and "fourths" payable under the Land Act. Under the permanent charges we have thus some £116,500 of the total increase accounted for.

In connection with the annual votes of Parliament there is much variation. Out of nineteen classes eight show a decreased expenditure amounting to £96,000, and eleven departments are obliged to ask for increases amounting to £74,000. A much larger decrease than £73,000 would have been made in the Colonial Secretary's Department had the necessity not arisen of providing £25,000 for expenses of the general elections. Rigid economy has cut down the expenses of the Customs, Marine, and Agricultural Departments by £15,000. The Defence Department is also reduced by £4,000, but until the Report of the Commandant has been received by my colleague and laid before the House it is not possible for me to say what further amount may be required. Turning now to the estimated extra expenditure, the Postal and Telegraph Department asks for £14,000. The large increase of the business in both branches of this service, the progress of settlement, and the consequent demand for increased facilities produce increased expenditure, and, like the Working Railways, it is a department which necessarily increases with the progress of the country. For education an increase of £27,000 is asked for, and although our expenditure in this direction considerably exceeds half a million I am quite satisfied the money is being spent upon a purpose which commends itself to every right-feeling colonist. I have endeavoured to keep down the Working Railways expenditure as low as is consistent with the prudent running of our trains, and it must always be borne in mind that the more money earned by our railways the more proportionately must be the expenditure. The increase for this year I have named as £19,000. About £14,000 covers the excesses in other departments.

ESTIMATED EXPENDITURE of the CONSOLIDATED FUND (Revenue Account) for 1902-3, compared with Actual Expenditure of 1901-2.

	Estimate for 1902-3.	Actual for 1901-2.	Differences.	
			Increase.	Decrease.
REVENUE ACCOUNT.				
Civil List	£ 33,100	£ 32,258	£ 842	£ ..
Interest and Sinking Fund	1,893,194	1,803,939	89,255	..
Under special Acts	587,933	561,472	26,461	..
	2,514,227	2,397,669	116,558	..
Annual Appropriations,—				
Legislative Departments	21,105	22,382	..	1,277
Colonial Secretary's Department	156,291	229,717	..	73,426
Colonial Treasurer's Department	42,554	41,537	1,017	..
Justice Department	131,823	131,457	366	..
Postal and Telegraph Department	477,775	463,817	13,958	..
Customs and Marine Department	86,179	89,405	..	3,226
Stamps and Deeds Department	26,948	27,106	..	158
Education Department	529,976	502,873	27,103	..
Lunacy and Charitable Department	67,554	65,343	2,211	..
Department of Labour	9,585	9,933	..	348
Mines Department	19,481	21,159	..	1,678
Department of Agriculture	89,383	101,285	..	11,902
Working Railways Department	1,300,000	1,280,772	19,228	..
Public and School Buildings and Domains	47,900	47,852	48	..
Defence Department	189,232	193,184	..	3,952
Police Department	123,867	120,932	2,935	..
Lands and Survey Department	125,868	120,180	5,688	..
Valuation Department	26,415	25,407	1,008	..
Rates on Crown lands	900	418	482	..
	3,472,836	3,494,759	74,044	95,967
Services not provided for .. .. .	..	3,486	..	3,486
			190,602	99,453
			99,453	..
Total	5,987,063	5,895,914	91,149	..

REVENUE.

I anticipate a revenue for the year ending 31st March next of £6,026,000, to which has to be added proceeds of debentures authorised to be raised by "The Consolidated Stock Act, 1884," amounting to £57,500, issued against the accretions of sinking fund. These figures will give total receipts amounting to £6,083,500, and, compared with similar receipts last year amounting to £6,110,070, are not unsatisfactory.

I have placed the Customs duties at £2,220,000, which will be nearly £19,000 in excess of last year's revenue. The trade of the colony is keeping up well, and it must not be lost sight of that the value of crossbred wool has appreciably increased, and that the prices of dairy and agricultural produce are exceptionally good and likely to continue so.

Although I have thought it well to keep the estimated revenue from stamps (£898,000) some £10,000 below the amount which was received last year, I shall be disappointed if it does not reach the previous figures, £908,000.

Land-tax and income I have set down at £300,000 and £185,000, and as I refer to them in a separate paragraph I will pass on to other heads.

Beer duty, £92,000, I estimate at nearly £2,000 more than last year's receipts.

For our working-railways revenue I have set down £1,875,000, as against £1,869,500 received last year, and for which I estimated £1,760,000. I am quite satisfied that we shall reach the figures I have set down, notwithstanding the liberal concessions already made, and further reductions to which I shall refer later on.

Registration and other fees I estimate at £70,000, as against £76,000 received, arising from a smaller amount of valuation fees being recoverable from the Land-tax Department.

Marine, £31,000, is substantially the same as the receipts of last year.

Miscellaneous, £125,000, as against £133,700 received last year, shows a falling-off of some £8,000, occasioned by loss of interest derived from the £500,000 Bank of New Zealand preferred shares, and which the bank repurchased, and upon which interest ceases to be paid.

The territorial revenue requires to be reduced by nearly £20,000. I estimate the receipts for the present year at £230,000, as against the revenue of last year amounting to £249,619. This shrinkage arises from the fact that whereas perpetual-lease holders, if they desired to convert their leaseholds into freeholds, were required to do so before the expiration of twelve years, they have now this privilege extended to the full currency of their leases, and in consequence, for some few years hence, these conversions, and the receipts derived from them, will fall off very considerably.

Summarising the estimated revenue for the present year, the total of which, as I have before stated, is set down at £6,026,000, I find that it is £27,000 less than the actual revenue received last year, but is £187,000 more than the total estimated revenue for the preceding year, which was stated at £5,839,000. Debentures created for the purpose of restoring the amount paid as sinking fund were in 1901-2 £57,000; for this year the Controller and Auditor-General has approved £57,500. I subjoin a table which will show at a glance the several estimates of revenue which I have made, and the comparison with last year's actual figures.

ESTIMATED REVENUE of the CONSOLIDATED FUND (Revenue Account) for 1902-3, compared with the Actual Revenue of 1901-2.

	Estimate for 1902-3.	Actual for 1901-2.	Differences.	
			Increase.	Decrease.
	£	£	£	£
REVENUE ACCOUNT.				
Customs	2,220,000	2,201,116	18,884	..
Railways	1,875,000	1,869,489	5,511	..
Stamps	898,000	908,671	..	10,671
Land-tax	300,000	312,835	..	12,835
Income-tax	185,000	179,397	5,603	..
Beer Duty	92,000	90,234	1,766	..
Registration and other Fees	70,000	76,492	..	6,492
Marine	31,000	31,456	..	456
Miscellaneous	125,000	133,761	..	8,761
Territorial Revenue	230,000	249,619	..	19,619
	6,026,000	6,053,070	31,764	58,834
Debentures for Sinking Fund increases.. .. .	57,500	57,000	500	32,264
	6,083,500	6,110,070	..	26,570
Total				

ESTIMATED RESULTS AT CLOSE OF THE CURRENT FINANCIAL YEAR.

Having placed before honourable members the figures relating to our estimated expenditure and revenue for the current year, it only now remains for me to bring the two sides together, and state what I hope will be the results at the close of the year.

The expenditure is set down at £5,987,063, and the receipts at £6,083,500; we therefore have excess of receipts over expenditure amounting to £96,437, to which amount has to be added the sum of £270,488 brought forward from last year. These two sums added together amount to £366,925, which will be available to meet transfers to the Public Works Fund, and such further appropriations in the supplementary estimates as honourable members will place at our disposal.

NEW LOAN.

The Government have very carefully considered the financial position, and also the imperative need to bring our railway works which are in course of construction to a paying-point. We are assailed on all sides by demands that

more energy should be shown in prosecuting works which are in hand ; but it must be admitted that we cannot continue a public-works policy without being properly provided with the always-necessary pounds, shillings, and pence.

I have, at some length and at the risk of wearying you, endeavoured to place before you our true financial position, and you will be able to recognise that we have, as before, maintained a very strong finance, albeit that the calls upon the public purse have been of late exceptionally large. Our position this year is just as firm and satisfactory, and in every direction the steady onward progress of our colony is shown. Our revenue is buoyant and increasing, and can easily bear the strain of further interest charges without in any way imposing further taxation upon the people.

Under these circumstances, and after very careful consideration, the Government have come to the conclusion to ask the authority of Parliament for a loan of £1,750,000, to be allocated for the following purposes:—

For the construction and completion of trunk and other lines of railway	£	750,000
For the construction of roads, tracks, and bridges		450,000
For the cost of additional rolling-stock and the relaying of permanent-way		450,000
For the purpose of developing the goldfields		50,000
For telegraph extension		50,000
		£1,750,000

There can be no question as to the propriety of the public purposes I have enumerated ; and I feel quite certain that the expenditure of the money will be more than justified by the beneficial results to our colonists which must ultimately ensue.

It will be seen that the greater proportion of the moneys to be raised will at once earn interest upon their expenditure, and no additional taxation will be required.

Experience has shown that a portion of the money can be borrowed locally, and this is the course which will be followed. It has the advantage of insuring the retention of the interest in the colony, and of effecting a very large saving in the cost of raising.

I feel sure the House will have no hesitation in authorising the amount I have named.

CONCLUSION.

My task is now completed. The facts, figures, and information which have been placed before you will, I trust, enable you to form deliberate judgment as to the financial position and the material progress of the colony. It is, I take it, the duty of the Government to control and direct our public affairs in a manner that will promote, as far as possible, the best interests of the people, and to do so consistently with a policy which one may term "safe." The resources of New Zealand are almost illimitable. Its greatest strength is to be found in the wonderful fertility and productiveness of its soil. I am confident that all will agree with me in saying that the best interests of the country can be promoted by the exercise of a judiciously progressive policy—such a policy as will make provision for the constructing of roads in the interior, pushing forward our railways (particularly the trunk lines), by assisting the mining, agricultural, and other great industries so as to insure the highest possible return to the individuals engaged in them, and thereby adding to the financial resources of the public exchequer. If one and all will approach the many-sided questions which are ever presenting themselves for solution in a reasonable spirit, I feel certain that, as the years go by, the properly directed efforts of our people will result in bettering the condition of themselves and promoting the general well-being of our colony.

TABLES TO ACCOMPANY THE FOREGOING STATEMENT.

	Page
TABLE NO. 1.—ABSTRACT OF RECEIPTS AND EXPENDITURE OF THE FINANCIAL YEAR ENDED 31ST MARCH, 1902	2
TABLE NO. 2.—COMPARATIVE STATEMENT OF THE ESTIMATED AND ACTUAL RECEIPTS AND EXPENDITURE OF THE CONSOLIDATED FUND FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 1902 ..	17
TABLE NO. 3.—THE PUBLIC DEBT ON 31ST MARCH, 1902	18
TABLE NO. 4.—STATEMENT OF THE ESTIMATED LIABILITIES OF THE CONSOLIDATED FUND OUTSTANDING ON 31ST MARCH, FROM 1893 TO 1902, INCLUSIVE	20
TABLE NO. 5.—STATEMENT OF THE ESTIMATED LIABILITIES OF THE PUBLIC WORKS FUND OUTSTANDING ON 31ST MARCH, FROM 1893 TO 1902, INCLUSIVE	21
TABLE NO. 6.—STATEMENT SHOWING THE TOTAL WAYS AND MEANS OF THE PUBLIC WORKS FUND AND THE TOTAL NET EXPENDITURE TO 31ST MARCH, 1902	22
TABLE NO. 7.—STATEMENT SHOWING THE AMOUNT CHARGED TO "UNAUTHORISED" IN EACH FINANCIAL YEAR FROM 1ST JULY, 1875, TO 31ST MARCH, 1902	23

STATEMENT of the RECEIPTS and EXPENDITURE of the CONSOLIDATED REVENUE

1900-1901.		RECEIPTS.						1901-1902.			
£	s. d.							£	s. d.	£	s. d.
605,351	14 6	BALANCE AT BEGINNING OF YEAR	..	..	..	..	..	..	..	532,564	8 11
Ordinary Revenue,—											
2,180,861	11 4	Customs	..	..	..	..	..	..	2,201,116	1 7	
903,934	17 11	Stamps, including Postal and Telegraph Cash Receipts	..	..	..	..	..	..	908,671	8 0	
294,533	15 6	Land-tax	..	..	..	..	..	..	312,835	9 11	
173,808	18 10	Income-tax	..	..	..	..	..	..	179,397	7 7	
85,170	10 0	Beer Duty	..	..	..	..	..	..	90,233	9 6	
1,720,640	19 5	Railways	..	..	..	..	..	..	1,869,488	13 6	
67,537	7 10	Registration and other Fees	..	..	..	..	..	..	76,491	15 11	
29,553	6 10	Marine	..	..	..	..	..	..	31,456	0 11	
126,410	18 7	Miscellaneous	..	..	..	..	..	..	133,760	13 1	
5,582,502	6 3								5,803,451	0 0	
Territorial Revenue,—											
78,793	18 5	Cash Land Sales	..	..	..	..	£59,576	0. 8			
10,575	1 1	Deferred-payment Land Sales	..	..	..	..	8,434	11 3			
180,834	6 3	Pastoral Runs, Rents, and Miscellaneous	..	..	..	..	181,608	9 7			
270,203	5 9								249,619	1 6	6,053,070 1 6
5,852,705	12 0										
Receipts in Aid,—											
52,800	0 0	Debentures issued under "The Consolidated Stock Act, 1884,"—									
		For Increases of Sinking Fund	..	..	..	..	..	..	..		57,000 0 0
Recoveries in respect of Expenditure of previous years,—											
1,410	11 9	Unauthorised (purchase of oats, &c.)	..	..	..	..	..	..	5,777	12 6	
..		South Africa Contingents	..	..	..	..	..	..	36,991	7 0	42,768 19 6
6,512,267	18 3										6,685,403 9 11
1,781	0 0	"The Dairy Industry Act, 1898"—									..
		Proceeds of debentures issued under the above Act	..	..	..	..	..	..	..		..
£6,514,048	18 3	Totals	..	..	..	..	..	..	..		£6,685,403 9 11

TREASURY BILLS

224,000	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	700,000 0 0
700,000	0 0										
Treasury Bills issued during Year,—											
370,000	0 0	In anticipation of Revenue	..	..	..	..	..	..	440,000	0 0	
700,000	0 0	In renewal of Bills matured	..	..	..	..	..	..	940,000	0 0	
1,070,000	0 0										1,380,000 0 0
£1,770,000	0 0	Totals	..	..	..	..	..	..	..		£2,080,000 0 0

No. 1.

FUND for the Year ended 31st MARCH, 1902, compared with the Financial Year ended 31st MARCH, 1901.

ACCOUNT.

1900-1901.		EXPENDITURE.	1901-1902.	
£	s. d.		£	s. d.
		Permanent Appropriations,—		
29,172	19 1	Civil List.. .. .	32,258	9 1
1,745,615	12 6	Interest and Sinking Fund.. .. .	1,808,989	2 4
200,908	4 5	Under Special Acts of the Legislature	198,455	0 10
76,218	4 7	Subsidies paid to Local Bodies	68,470	3 10
		Amounts paid over to Local Bodies and to Deposit Accounts in respect of		
34,233	1 4	Payments under the Land Acts	30,488	2 7
		Endowments—		
6,507	16 9	New Plymouth Harbour Board	4,801	11 10
19,092	15 1	Greymouth Harbour Board	20,993	4 10
26,867	18 6	Westport Harbour Board	35,799	13 8
196,606	17 4	Old-age pensions	207,468	8 5
2,335,223	9 7			2,397,668 17 5
		Annual Appropriations,—		
25,265	0 0	Class I.—Legislative	22,382	8 2
110,555	14 8	II.—Colonial Secretary	229,717	7 2
39,147	19 3	III.—Colonial Treasurer	41,537	0 1
126,741	2 2	IV.—Minister of Justice	131,456	13 7
416,363	15 4	V.—Postmaster-General	468,817	2 0
87,037	16 4	VI.—Commissioner of Trade and Customs	89,404	14 8
26,255	15 11	VII.—Commissioner of Stamps	27,106	5 2
445,233	15 9	VIII.—Education Department	502,872	15 6
64,511	16 4	IX.—Lunacy and Charitable Aid Department	65,843	4 8
7,977	13 9	X.—Department of Labour	9,932	14 10
17,487	16 8	XI.—Minister of Mines	21,158	18 5
74,876	5 0	XII.—Minister for Agriculture	101,284	12 9
1,144,831	13 3	XIII.—Working Railways	1,280,771	10 8
46,851	10 4	XIV.—Minister for Public Works	47,852	5 9
206,565	1 10	XV.—Defence Department	198,183	18 8
117,522	5 0	XVI.—Police Department	120,932	9 7
137,565	3 5	XVII.—Minister of Lands	120,180	3 1
23,579	12 5	XVIII.—Valuation Department	25,407	2 3
530	16 10	XIX.—Rates on Crown Lands	418	0 9
25,519	5 6	Services not provided for	3,486	7 0
3,144,479	19 9			3,498,245 14 9
500,000	0 0	Amount transferred to the Public Works Fund in terms of section 17 of "The Appropriation Act, 1901"		500,000 0 0
		Debentures redeemed—		
		"Land for Settlements Consolidation Act, 1900"		19,000 0 0
532,564	8 11	BALANCE AT END OF YEAR		270,488 17 9
6,512,267	18 3			6,685,403 9 11
1,781	0 0	"The Dairy Industry Act, 1898,"—		
		Amount advanced to Dairy Companies		
£6,514,048	18 3	Totals		£6,685,403 9 11

ACCOUNT.

370,000	0 0	Treasury Bills paid off during Year	440,000	0 0	
700,000	0 0	Treasury Bills renewed during Year	940,000	0 0	1,380,000 0 0
1,070,000	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				
£1,770,000	0 0	Totals			£2,080,000 0 0

STATEMENT of the RECEIPTS and EXPENDITURE of the CONSOLIDATED STATE FORESTS

1900-1901.		RECEIPTS.	1901-1902.	
£	s. d.		£	s. d.
23,558	16 2	Balance at beginning of Year,—		
		Cash in the Public Account	31,823	2 3
206	10 0	Advances in hands of the Officers of the Government,—		
		In the Colony		
23,765	6 2			31,823 2 3
4,170	9 3	Rents from Lands set apart	6,430	17 9
10,744	16 0	Miscellaneous	10,757	13 8
14,915	5 3			17,188 11 5
£38,680	11 5	Totals		£49,011 13 8

ACCOUNTS OF

4,479	16 6	Balance at beginning 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
4,479	16 6			11,627 1 9
3,703	7 6	Revenue received for Local Bodies,—		
14,285	1 0	Fees, Fines, &c.	7,524	5 7
30,725	14 11	Endowments of Land, &c.	17,455	13 10
16,401	19 9	Goldfields Revenue	28,064	14 2
		Gold Duty	19,785	1 10
65,116	3 2			72,829 15 5
563	3 3	Counties Separate Accounts,—		
		Revenue of Counties in which "The Counties Act, 1886," is not in full operation		586 14 5
55,882	7 6	Advance Account,—		
128	8 5	Amount repaid by Local Bodies	31,230	13 1
		Ditto on account of Unauthorised Expenditure of previous years	114	8 4
56,010	15 11			31,345 1 5
£126,169	18 10	Totals		£116,388 13 0

DEPOSIT.

153,780	19 0	Balance at beginning of Year,—		
		Cash in the Public Account	157,129	12 6
1,500	0 0	Advances in the hands of Officers of the Government,—		
29,367	11 2	In the Colony	18,841	11 9
		In London	52,999	6 3
184,648	10 2			228,970 10 6
998	4 10	Lodgments,—		
10,632	7 3	Cyanide Process Gold-extraction Act, 1897	879	4 2
75	0 0	Emigrants' Deposits	14,049	15 1
4	17 1	General Assembly Library Fund	75	0 0
211,663	8 7	Hospitals and Charitable Institutions Act, 1885-1886	19	1 5
		Imperial Government (South Africa Contingents)	325,834	0 2
117,773	8 0	Imperial Government (Balances, Fourth and Fifth Contingents)	24,422	2 9
779	5 0	Imperial Government (Purchase of Oats)	264,307	4 2
267	10 5	Land Transfer Act, 1885	3,170	10 6
59,011	4 5	Mining Districts Land Occupation Act, 1894	651	12 4
48,931	13 5	Miscellaneous	16,715	6 1
		Money-order Settlement	37,400	0 0
333	18 1	Moiety of Rotorua Bath Fees	694	7 6
42	11 9	Native Land Purchases	332	10 2
124	9 0	Native Township of Parata	51	11 10
58	3 9	" Pipiriki	154	1 6
31	17 9	" Potaka	65	6 3
24	16 3	" Te Araroa	42	19 9
208	19 7	" Te Puia	3	10 0
15	11 0	" Tokaanu	155	4 9
42	5 0	" Tuatine	24	9 0
8,467	7 10	Nelson Rifle Prize Fund	35	11 0
129	11 0	New Zealand Midland Railway		
261	7 6	New Zealand University Endowment, Canterbury	129	11 0
7	10 0	New Zealand University Endowment, Taranaki	306	9 10
41	10 9	New Zealand University Endowment, Westland		
9,449	7 8	North Island Experimental Dairy School	41	10 9
		North Island Main Trunk Railway Loan Application Act 1886 Amendment Act, 1889	8,238	12 5
12,886	5 5	Public Health Act, 1900	300	0 0
720	0 0	Public Trust Office Remittance Account	18,987	16 1
49	6 9	Railways	5,220	0 0
2,682	11 9	Tauranga Educational Endowment Reserves Act, 1896	16	1 2
473	2 5	Thermal-springs Districts Act, 1881	717	4 2
		Trustee Act, 1883	212	16 4
486,187	12 3			728,253 10 2
£670,836	2 5	Totals		£952,224 0 8

No. 1—continued.

FUND for the Year ended 31st MARCH, 1902, compared with the Financial Year ended 31st MARCH, 1901.

ACCOUNT.

1900-1901.		EXPENDITURE.	1901-1902.	
£	s. d.		£	s. d.
6,857	9 2	Annual Appropriations,— Vote 109—State Forests Branch .. .. .	..	10,334 13 7
31,823	2 3	Balance at end of Year,— Cash in the Public Account	38,299	8 2
..	..	Advances in the hands of Officers of the Government,— In the Colony	377	11 11
31,823	2 3			38,677 0 1
£38,680	11 5	Totals .. .. .	..	£49,011 13 8

LOCAL BODIES.

3,742	10 0	Revenue paid over to Local Bodies,— Fees, Fines, &c.	6,902	6 6	
6,674	13 7	Endowments of Land, &c.	13,675	5 8	
31,690	0 7	Goldfields Revenue	26,508	11 8	
16,158	12 5	Gold Duty	19,673	0 4	66,759 4 2
58,265	16 7				
520	14 7	Counties Separate Accounts,— Amount distributed amongst local bodies where "The Counties Act, 1886," is not in full operation .. .. .	..	..	624 15 8
55,756	5 11	Advance Accounts,— Payments on behalf of Local Bodies .. .. .	..	..	31,292 6 1
11,611	19 5	Balance at end of Year,— Cash in the Public Account	17,700	14 8	
15	2 4	Advances in the hands of Officers of the Government,— In the Colony	11	12 5	17,712 7 1
11,627	1 9				
£126,169	18 10	Totals .. .. .	..	..	£116,888 13 0

ACCOUNTS.

10,552	7 3	Withdrawals,— Emigrants' Deposits	13,659	15 1	
75	0 0	General Assembly Library Fund	75	0 0	
4	17 1	Hospitals and Charitable Institutions Act, 1885-1886.. .. .	5	18 5	
179,204	14 9	Imperial Government (South Africa Contingents)	333,990	12 8	
..	..	Imperial Government (Balances, Fourth and Fifth Contingents)	24,422	2 9	
117,773	8 0	Imperial Government (Purchase of Oats)	264,307	4 2	
676	10 0	Land Transfer Act, 1883	1,961	10 6	
110	0 8	Mining Districts Land Occupation Act, 1894.. .. .	180	13 9	
55,905	11 3	Miscellaneous	41,796	19 6	
43,724	16 5	Money-order Settlement	26,606	17 0	
331	14 4	Native Land Purchases	350	5 6	
190	16 0	Native Township, Pipiriki	139	11 1	
..	..	" Potaka	88	0 3	
0	17 4	" Tokaanu.. .. .	217	17 6	
47	0 0	Nelson Rifle Prize Fund	44	16 0	
..	..	Nelson Rifle Prize Fund Investment .. .. .	..	..
12,524	2 10	New Zealand Midland Railway .. .. .	..	..
2	14 9	Ngatirahiri Compensation	20	2 10	
7,486	2 11	North Island Main Trunk Railway Loan Application Act 1886 Amendment Act, 1889	11,011	9 9	
12,049	2 4	Public Trust Office Remittance Account	14,563	11 11	
2	0 10	Railways	717	19 2	
1,203	15 2	Thermal-springs Districts Act, 1881.. .. .	562	3 11	
..	..	Trustee Act, 1883	527	13 9	
441,865	11 11				735,250 5 6
157,129	12 6	Balances at end of Year,— Cash in the Public Account	128,303	1 10	
18,841	11 9	Advances in the hands of Officers of the Government,— In the Colony	60,858	17 1	
52,999	6 3	In London	27,811	16 3	
228,970	10 6				216,973 15 2
£670,836	2 5	Totals .. .. .	..	..	£952,224 0 8

Table

STATEMENT of the RECEIPTS and EXPENDITURE of the PUBLIC WORKS

1900-1901.		RECEIPTS.	1901-1902.	
£	s. d.		£	s. d.
90,782	17 8	Balance at beginning of Year,—		
		Cash in Public Account	7,991	6 5
		Advances in the hands of Officers of the Government,—		
25,710	6 8	In the Colony	42,845	4 5
23,256	2 6	In London	181,679	7 3
139,749	6 0		224,524	11 8
				232,515 18 1
		The Aid to Public Works and Land Settlement Acts,—		
		Proceeds of sale of £500,000 4-per-cent. Debentures issued under the Act of 1900 (London issue)	500,000	0 0
		Proceeds of sale of £500,000 4-per-cent. Debentures issued under the Act of 1900 (Colonial issue)	500,513	19 2
		Proceeds of sale of £250,000 4-per-cent. Debentures issued under the Act of 1901 (Colonial issue)	250,000	0 0
		Instalments in respect of £1,000,000 Loan 3-per-cent. Stock issued under the Act of 1901	812,666	13 4
865,000	0 0	Temporary advances on security of short-dated Debentures	200,000	0 0
500,000	0 0	Proceeds of short-dated Debentures issued under the Act of 1899		
35,000	0 0	Amount of 3-per-cent. Inscribed Stock created		
1,400,000	0 0			2,263,180 12 6
		Amount transferred from the Consolidated Fund in terms of section 17 of "The Appropriation Act, 1901"		500,000 0 0
		Special Receipts in connection with the Ellesmere and Forsyth Reclamation and Akaroa Railway Trust		1,615 12 2
1,787	13 9			
£2,041,536	19 9	Totals		£2,997,312 2 9

STATEMENT of the RECEIPTS and EXPENDITURE of the CHEVIOT ESTATE

1900-1901.		RECEIPTS.	1901-1902.	
£	s. d.		£	s. d.
6,452	1 0	Balance at beginning of Year,—		
		Cash in Public Account		11,680 16 6
		Receipts under "The Cheviot Estate Disposition Act, 1893,"—		
14,121	7 4	Rents from Lands	14,007	14 6
45	0 0	Interest on Advances	45	0 0
		Miscellaneous	8	6 2
14,166	7 4			14,061 0 8
£20,618	8 4	Totals		£25,741 17 2

No. 1—continued.

FUND for the Year ended 31st MARCH, 1902, compared with the Financial Year ended 31st MARCH, 1901.

1900-1901.		EXPENDITURE.						1901-1902.			
£	s. d.							£	s. d.	£	s. d.
		Annual Appropriations,—									
12,932	18 9	Class	XX.—Public Works, Departmental	..	..	..	..	16,404	5 1		
717,722	11 7		XXI.—Railways	..	..	..	..	1,333,940	13 1		
121,363	19 2		XXII.—Public Buildings	..	..	..	..	145,599	11 8		
6,516	15 8		XXIII.—Lighthouses, Harbour-works, and Harbour Defences	..	..	..	..	12,158	17 0		
..	..		XXIV.—Tourist and Health Resorts	..	..	..	..	11,260	0 10		
214	0 9		XXV.—Immigration	..	..	..	..	139	14 2		
315,741	9 2		XXVI.—Roads	..	..	..	..	402,260	4 4		
15,907	8 1		XXVII.—Development of Goldfields	..	..	..	..	15,325	6 11		
28,687	11 6		XXVIII.—Purchase of Native Lands	..	..	..	..	18,261	9 10		
50,100	19 7		XXIX.—Telegraph Extension	..	..	..	..	31,728	16 2		
672	15 8		XXX.—Rates on Native Lands	..	..	..	..	570	9 4		
37,650	11 9		XXXI.—Contingent Defence	..	..	..	..	146,875	13 1		
..	..		XXXII.—Lands Improvement	..	..	..	..	1,677	7 1		
1,307,511	1 8									2,136,202	8 7
50	0 0	Unauthorised,—									
			Services not provided for	..	..	..	..	..	..	1,430	8 2
500,000	0 0	The Aid to Public Works and Land Settlement Acts,—									
1,460	0 0		Temporary advances repaid	..	..	..	..	400,000	0 0		
			Charges and expenses of raising loans	..	..	..	..	5,619	18 0		
501,460	0 0									405,619	18 0
7,991	6 5	Balance at end of Year,—									
			Cash in the Public Account	..	..	..	..	405,922	16 5		
42,845	4 5		Advances in the hands of Officers of the Government,—								
181,679	7 3		In the Colony	..	..	..	..	5,544	11 3		
			In London	..	..	..	..	42,592	0 4		
232,515	18 1									454,059	8 0
£2,041,536	19 9		Totals	..	..	..	..	..	..	£2,997,312	2 9

ACCOUNT for the Year ended 31st MARCH, 1902, compared with the Financial Year ended 31st MARCH, 1901.

£	s. d.							£	s. d.	£	s. d.
8,866	2 6	Interest	..	..	..	..	..	8,866	2 6		
71	9 4	Surveys, Roading, &c.	..	..	..	..	..	15	0 0		
8,937	11 10									8,881	2 6
11,680	16 6	Balance at end of Year,—									
			Cash in the Public Account	..	..	..	..	..	..	16,860	14 8
£20,618	8 4		Totals	..	..	..	..	..	..	£25,741	17 2

STATEMENT of the RECEIPTS and EXPENDITURE of the CONVERSION

1900-1901.		RECEIPTS.						1901-1902.			
£	s. d.							£	s. d.	£	s. d.
39,538	9 1	Balance at beginning of Year,—						3,706	19 3		
		Cash in the Public Account									
		In the hands of Stock Agents—									
363	2 10	Cash						180	5 4	3,887 4 7	
39,901	11 11										
		3-per-cent. Inscribed Stock,—									
13,000	0 0	Issued for redemption of Debentures						50,000	0 0		
5,000	0 0	Issued for payment of conversion expenses						7,000	0 0		
..		Issued in exchange for Debentures						327,147	0 0	384,147 0 0	
18,000	0 0										
		3½-per-cent. Consolidated Stock Debentures (Colonial Issue),—									
509,500	0 0	Issued in exchange for Debentures .. .. .						..		..
£567,401	11 11	Totals						£388,034	4 7		

STATEMENT of the RECEIPTS and EXPENDITURE of the NEW ZEALAND CONSOLS

1900-1901.		RECEIPTS.						1901-1902.			
£	s. d.							£	s. d.	£	s. d.
87	6 11	Balance at beginning of Year,—						2,989	7 1		
441,400	0 0	Cash in Deposit Account						456,400	0 0	459,389 7 1	
		Investment Account									
441,487	6 11										
17,902	0 2	Deposits inscribed .. .. .						..		8,935 0 0	
£459,389	7	Totals .. .. .						..		£468,324 7 1	

No. 1—continued.

ACCOUNT for the Year ended 31st MARCH, 1902, compared with the Financial Year ended 31st MARCH, 1901.

1900-1901.		EXPENDITURE.						1901-1902.			
£ s. d.								£ s. d.		£ s. d.	
50,400	0 0	Debentures redeemed,—						50,900	0 0		
290	0 0	Consolidated Loan Act, 1867, 5 per cent.						30	0 0		
..		Naval and Military Settlers and Volunteers Land Act, 1892, due 31st October, 1899						400	0 0	51,330 0 0	
..		Otago Loan, 1862, 6 per cent.									
50,690	0 0										
509,500	0 0	"Government Loans to Local Bodies Act, 1886," debentures, due 31st December, 1900 .. .. .						..		..
		Debentures converted into 3-per-cent. Inscribed Stock,—									
				Amount converted.	Rate per Cent.	Premium.					
				£		£					
..		Land for Settlements Act, 1894	39,900	..	103	..	1,197				
..		Aid to Public Works and Land Settlement Act	35,000	..	103	..	1,050				
			250,000	..	Par	..	..		
			324,900				2,247	327,147	0 0	327,147 0 0	
		Expenses Account,—									
45	0 0	Brokerage and Commission						135	0 0		
450	0 0	Discount						1,690	1 0		
1,550	2 0	Stamp Duty						838	12 9		
946	7 10	Interest (including overlap of interest)						1,458	4 7		
220	7 6	Office Expenses						231	5 6		
112	10 0	Rents						90	0 0		
..		Law charges						62	8 0		
..		Honorarium to officers						348	0 0		
3,324	7 4									4,853 11 10	
3,706	19 3	Balance at end of Year,—						901	0 8		
180	5 4	Cash in the Public Account						1,910	3 1		
..		In the hands of Stock Agents—						1,892	9 0	4,708 12 9	
..		Cash									
3,887	4 7	In the hands of the Agent-General—									
..		Cash									
£567,401	11 11	Totals .. .. .					..	£388,034	4 7		

ACCOUNT for the Year ended 31st MARCH, 1902, compared with the Financial Year ended 31st MARCH, 1901.

1900-1901.		EXPENDITURE.						1901-1902.			
£ s. d.								£ s. d.		£ s. d.	
2,989	7 1	Balance at end of Year,—						224	7 1		
456,400	0 0	Cash in Deposit Account						468,100	0 0	468,324 7 1	
..		Investment Account									
459,389	7 1										
£459,389	7 1	Totals .. .. .					..	£468,324	7 1		

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

1900-1901.		RECEIPTS.	1901-1902.	
£	s. d.		£	s. d.
6,982	2 4	Balance at beginning of Year,—		
		Cash in the Public Account	20,881	9 0
13,611	2 11	Advances in hands of Officers of the Government—		
		In the colony	7,091	2 6
20,593	5 3			27,972 11 6
176,000	0 0	Debentures created,—		
		Under "The Government Loans to Local Bodies Act, 1886"	141,200	0 0
		Under "The Local Bodies' Loans Act, 1901"	72,000	0 0
				213,200 0 0
		Repayments under section 8 of "The Government Loans to Local Bodies Act		
		Amendment Act, 1896,"—		
		Counties,—		
		Kiwitea	59	7 4
76	1 1	Manawatu		
		Masterton	998	6 5
		Pohangina	220	5 8
325	18 1	Rangitikei		
68	8 4	Stratford	421	11 4
838	9 0	Wanganui		
		Road Boards,—		
		Ngatapa	100	0 0
619	10 1	Taratahi-Carterton		
		Borough—		
5,797	5 0	Stratford	66	2 10
		Town Board,—		
		Bull's	241	2 10
7,725	11 7			2,106 16 5
204,318	16 10	Carried forward		243,279 7 11

No. 1—continued.

ACCOUNT for the Year ended 31st MARCH, 1902, compared with the Financial Year ended 31st MARCH, 1901.

1900-1901.			EXPENDITURE.				1901-1902.		
£	s.	d.	Grants under "The Government Loans to Local Bodies Act, 1886"—				£	s.	d.
			Counties—						
800	0	0	Bruce	..	..	..	2,700	0	0
855	0	0	Clifton	..	..	..	1,350	0	0
3,000	0	0	Clutha	..	..	..	1,500	0	0
1,000	0	0	Cook	..	..	..	1,700	0	0
..	..	..	Coromandel	..	..	..	1,000	0	0
650	0	0	Eketahuna	..	..	..	2,025	0	0
1,650	0	0	Hawera	..	..	..	1,850	0	0
..	..	..	Hobson	..	..	..	320	0	0
550	0	0	Horowhenua	..	..	..	4,000	0	0
..	..	..	Inangahua	..	..	..	8,000	0	0
3,710	0	0	Kiwitea	..	..	..	5,900	0	0
2,000	0	0	Lake	..	..	..	..	..	..
6,000	0	0	Manawatu	..	..	..	6,000	0	0
..	..	..	Masterton	..	..	..	4,950	0	0
330	0	0	Pahiatua	..	..	..	1,218	0	0
..	..	..	Patangata	..	..	..	6,000	0	0
5,626	0	0	Pohangina	..	..	..	5,789	0	0
3,050	0	0	Rangitikei	..	..	..	6,000	0	0
5,990	0	0	Stratford	..	..	..	6,000	0	0
..	..	..	Taicri	..	..	..	5,777	0	0
2,000	0	0	Waipapu	..	..	..	6,000	0	0
..	..	..	Waipa	..	..	..	600	0	0
1,600	0	0	Waipawa	..	..	..	1,736	0	0
300	0	0	Wairarapa South	..	..	..	..	..	..
2,500	0	0	Waitotara	..	..	..	150	0	0
41,611	0	0							80,565 0 0
			Road Boards—						
1,172	0	0	Arai	..	..	..	..	..	..
..	..	..	Arch Hill	..	..	..	1,454	0	0
1,000	0	0	Avon	..	..	..	500	0	0
..	..	..	Drury	..	..	..	600	0	0
300	0	0	Castlepoint	..	..	..	..	..	..
..	..	..	Eden Terrace	..	..	..	3,000	0	0
1,000	0	0	Featherston	..	..	..	..	..	..
250	0	0	Frankley	..	..	..	..	..	..
70	0	0	Hunua	..	..	..	800	0	0
..	..	..	Manawatu	..	..	..	300	0	0
2,994	0	0	Manchester	..	..	..	2,786	0	0
990	0	0	Manganui	..	..	..	1,650	0	0
690	0	0	Moa	..	..	..	830	0	0
1,250	0	0	Ngatapa	..	..	..	..	..	..
..	..	..	Okato	..	..	..	500	0	0
..	..	..	Opabeke	..	..	..	1,500	0	0
..	..	..	Otaki	..	..	..	100	0	0
..	..	..	Parapara	..	..	..	500	0	0
2,807	0	0	Parihaka	..	..	..	3,000	0	0
..	..	..	Porangahau	..	..	..	1,200	0	0
..	..	..	Seatoun	..	..	..	2,750	0	0
970	0	0	Upper Wangaehu	..	..	..	700	0	0
3,000	0	0	Waimate	..	..	..	2,910	0	0
..	..	..	Waipipi	..	..	..	100	0	0
..	..	..	Wairau	..	..	..	400	0	0
..	..	..	Waitara West	..	..	..	100	0	0
..	..	..	Waitotara-Momohaki	..	..	..	650	0	0
..	..	..	Waiuku	..	..	..	1,200	0	0
750	0	0	Waiwakaiho	..	..	..	650	0	0
..	..	..	Weber	..	..	..	2,000	0	0
1,252	0	0	Wirokino	..	..	..	997	0	0
18,495	0	0							31,177 0 0
			Boroughs—						
..	..	..	Akaroa	..	..	..	..	..	..
..	..	..	Feilding	..	..	..	379	0	0
200	0	0	Foxton	..	..	..	..	..	..
..	..	..	Grey Lynn	..	..	..	3,000	0	0
..	..	..	Hastings	..	..	..	1,400	0	0
2,000	0	0	Hawera	..	..	..	2,000	0	0
..	..	..	Lyttelton	..	..	..	5,500	0	0
..	..	..	Masterton	..	..	..	..	..	..
..	..	..	Napier	..	..	..	5,000	0	0
1,500	0	0	Palmerston	..	..	..	350	0	0
190	0	0	Petone	..	..	..	2,000	0	0
..	..	..	Port Chalmers	..	..	..	2,500	0	0
..	..	..	Stratford	..	..	..	1,100	0	0
300	0	0	Te Aroha	..	..	..	..	..	..
..	..	..	Temuka	..	..	..	500	0	0
10,000	0	0	Thames	..	..	..	..	..	..
..	..	..	Westport	..	..	..	..	..	..
..	..	..	Whangarei	..	..	..	..	..	..
..	..	..	Woodville	..	..	..	..	..	..
14,190	0	0							23,729 0 0
74,296	0	0	Carried forward	..	..	..	..	..	135,471 0 0

No. 1—continued.

ACCOUNT for the Year ended 31st MARCH, 1902, compared with the Financial Year ended 31st MARCH, 1901—continued.

1900-1901.		EXPENDITURE.				1901-1902.	
£	s. d.					£	s. d.
74,296	0 0	Brought forward .. .. .				..	135,471 0 0
..	..	Town Boards—				..	..
..	..	Clyde				300	0 1
..	..	Halcombe				300	0 0
..	..	Otatau				210	0 0
360	0 0	Waipawa .. .. .				..	..
..	..					..	810 0 0
..	..	Drainage Boards—				..	..
2,000	0 0	Aorangi				100	0 0
..	..	Berwick				400	0 0
200	0 0	Mangahoe				300	0 0
..	..	Maungatua				800	0 0
..	..	Otakia				200	0 0
..	..					..	1,800 0 0
2,200	0 0					..	..
..	..	River Boards—				..	..
5,000	0 0	Clive .. .. .				..	..
..	..	Henley				500	0 0
5,000	0 0	Hutt				5,000	0 0
..	..					..	5,500 0 0
10,000	0 0					..	..
..	..	Water-supply Boards				..	..
..	..	Manukau .. .. .				..	19,000 0 0
..	..	Grants under "The Government Loans to Local Bodies Act Amendment Act, 1898"—				..	..
..	..	Counties—				..	..
3,000	0 0	Wairarapa South .. .. .				..	2,000 0 0
..	..	Boroughs—				..	..
200	0 0	Akaroa				3,100	0 0
26,400	0 0	Hawera .. .. .				..	..
..	..	Lyttelton				10,000	0 0
19,500	0 0	Masterton				2,000	0 0
2,000	0 0	Palmerston .. .. .				..	..
..	..	Petone				2,500	0 0
..	..	Stratford				3,600	0 0
..	..	Westport				9,000	0 0
..	..	Whangarei				10,100	0 0
..	..	Woodville				3,650	0 0
..	..					..	43,950 0 0
48,100	0 0					..	..
..	..	Water-supply Boards—				..	..
1,000	0 0	Manukau .. .. .				..	..
..	..	Appropriations.—				..	208,531 0 0
37,390	5 4	Vote 111.—Roads to open up Crown lands .. .. .				..	31,978 10 8
..	..	Balance at end of year,—				..	..
20,881	9 0	Cash in the Public Account				1,254	6 11
..	..	Advances in hands of Officers of the Government,—				..	..
7,091	2 6	In the Colony				1,515	10 4
..	..					..	2,769 17 3
27,972	11 6					..	..
£204,318	16 10	Totals .. .. .				..	£243,279 7 11

OFFICE LOAN ACCOUNT for the Year ended 31st MARCH, 1902, compared with the Financial Year ended 31st March, 1901

1900-1901.		EXPENDITURE.				1901-1902.	
£	s. d.					£	s. d.
240,000	0 0	Amount paid over to Government Advances to Settlers Office Account—				..	..
140,000	0 0	In respect of 3-per-cent Stock sold				226,333	6 8
..	..	In respect of Temporary Advances				180,000	0 0
..	..					..	406,333 6 8
380,000	0 0	Temporary advances repaid .. .. .				..	320,000 0 0
..
£380,000	0 0	Total .. .. .				..	£726,333 6 8

JAMES B. HEYWOOD,
Secretary to the Treasury.

ROBERT J. COLLINS,
Accountant to the Treasury.

SUMMARY of BALANCES on 31st MARCH, 1902.

	BALANCES.		CASH.	ADVANCES.		INVESTMENTS.		TOTAL.		
	£	s. d.		£	s. d.	£	s. d.	£	s. d.	
CONSOLIDATED FUND:—	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Ordinary Revenue Account ..	970,488	17 9*	858,625	4 9	61,863	13 0	50,000	0 0	970,488	17 9
State Forests Account ..	38,677	0 1	38,299	8 2	377	11 11	..	..	38,677	0 1
Accounts of Local Bodies ..	17,712	7 1	17,700	14 8	11	12 5	..	..	17,712	7 1
Deposit Accounts ..	216,973	15 2	128,303	1 10	88,670	13 4	..	..	216,973	15 2
	1,243,852	0 1	1,042,928	9 5	150,923	10 8	50,000	0 0	1,243,852	0 1
PUBLIC WORKS FUND ..	454,059	8 0	405,922	16 5	48,136	11 7	..	..	454,059	8 0
CHEVIOT ESTATE ACCOUNT ..	16,860	14 8	16,860	14 8	..	..	..	..	16,860	14 8
LAND FOR SETTLEMENTS ACCOUNT ..	382,692	6 3	32,070	19 1	621	7 2	350,000	0 0	382,692	6 3
CONVERSION ACCOUNT ..	4,703	12 9	901	0 8	3,802	12 1	..	..	4,703	12 9
LOANS TO LOCAL BODIES ACCOUNT ..	2,769	17 3	1,254	6 11	1,515	10 4	..	..	2,769	17 3
NEW ZEALAND CONSOLS ACCOUNT ..	468,324	7 1	224	7 1	..	..	468,100	0 0	468,324	7 1
Totals ..	2,573,262	6 1	1,500,162	14 3	204,999	11 10	868,100	0 0	2,573,262	6 1

* 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, 1902.

—	ESTIMATED.		ACTUAL.		DIFFERENCES.			
	£	s. d.	£	s. d.	More than Estimate.		Less than Estimate.	
RECEIPTS.								
REVENUE ACCOUNT:—								
Customs	2,110,000	0 0	2,201,116	1 7	91,116	1 7	..	..
Railways	1,760,000	0 0	1,869,488	13 6	109,488	13 6	..	..
Stamps	903,500	0 0	908,671	8 0	5,171	8 0	..	..
Land-tax	305,000	0 0	312,835	9 11	7,835	9 11	..	..
Income-tax	175,000	0 0	179,397	7 7	4,397	7 7	..	..
Beer Duty	86,000	0 0	90,233	9 6	4,233	9 6	..	..
Registration and Fees	76,000	0 0	76,491	15 11	491	15 11	..	..
Marine	26,200	0 0	31,456	0 11	5,256	0 11	..	..
Miscellaneous	127,300	0 0	133,760	13 1	6,460	13 1	..	..
Territorial Revenue	270,000	0 0	249,619	1 6	..	..	20,380	18 6
	5,839,000	0 0	6,053,070	1 6	234,451	0 0	..	..
Sinking Fund Increases	57,000	0 0	57,000	0 0	..	..	..	..
					234,451	0 0	20,380	18 6
					20,380	18 6		
Recoveries in respect of Expenditure of previous years .. .. .	..	..	42,768	19 6	214,070	1 6	42,768	19 6
Totals	5,896,000	0 0	6,152,839	1 0	256,839	1 0	..	..
EXPENDITURE.								
REVENUE ACCOUNT:—								
Permanent Appropriations,—								
Civil List	33,100	0 0	32,258	9 1	..	..	841	10 11
Interest and Sinking Fund	1,819,225	0 0	1,803,939	2 4	..	..	15,285	17 8
Under Special Acts	211,155	0 0	198,455	0 10	..	..	12,699	19 2
Subsidies paid to Local Bodies	66,500	0 0	63,470	3 10	..	..	3,029	16 2
Territorial Revenue paid over	35,000	0 0	30,483	2 7	..	..	4,516	17 5
Endowments	54,500	0 0	61,594	10 4	7,094	10 4	..	..
Old-age Pensions	215,000	0 0	207,468	8 5	..	..	7,531	11 7
Annual Appropriations,—								
Legislative	22,300	0 0	22,382	8 2	82	8 2	..	..
Colonial Secretary	234,839	0 0	229,717	7 2	..	..	5,121	12 10
Colonial Treasurer	47,728	0 0	41,537	0 1	..	..	6,190	19 11
Minister of Justice	134,950	0 0	131,456	13 7	..	..	3,493	6 5
Postmaster-General	451,345	0 0	463,817	2 0	12,472	2 0	..	..
Commissioner of Trade and Customs	93,062	0 0	89,404	14 8	..	..	3,657	5 4
Commissioner of Stamps	27,091	0 0	27,106	5 2	15	5 2	..	..
Minister of Education	516,396	0 0	502,872	15 6	..	..	13,523	4 6
Lunacy and Charitable	69,544	0 0	65,343	4 8	..	..	4,200	15 4
Department of Labour	10,040	0 0	9,932	14 10	..	..	107	5 2
Minister of Mines	28,071	0 0	21,158	18 5	..	..	6,912	1 7
Minister for Agriculture	97,014	0 0	101,284	12 9	4,270	12 9	..	..
Working Railways	1,185,352	0 0	1,280,771	10 8	95,419	10 8	..	..
Public Buildings	47,800	0 0	47,852	5 9	52	5 9	..	..
Defence Department	217,677	0 0	193,183	18 8	..	..	24,493	1 4
Police Department	122,866	0 0	120,932	9 7	..	..	1,933	10 5
Department of Lands and Survey	131,689	0 0	120,180	3 1	..	..	11,508	16 11
Valuation Department	25,658	0 0	25,407	2 3	..	..	250	17 9
Rates on Crown Lands	800	0 0	418	0 9	..	..	381	19 3
Services not provided for .. .. .	..	..	3,486	7 0	3,486	7 0	..	..
					122,893	1 10	125,680	9 8
							122,893	1 10
Totals	5,898,702	0 0	5,895,914	12 2	..	..	2,787	7 10

Surplus, 31st March, 1901 .. .. .	..	..	..	..	£	s. d.	£	s. d.
Less—								
Amount applied in aid of Public Works Fund .. .. .	..	..	..	..	500,000	0 0	32,564	8 11
Actual receipts, 1901–2 .. .. .	..	..	..	..	6,152,839	1 0		
Actual expenditure, 1901–2 .. .. .	..	..	..	..	5,895,914	12 2		
					256,924	8 10		
Debentures paid off out of Consolidated Fund .. .. .	..	..	..	..	19,000	0 0	237,924	8 10
Surplus at 31st March, 1902 .. .. .	..	..	..	..			£270,488	17 9

Table No. 3.
The PUBLIC DEBT of NEW ZEALAND on 31st MARCH, 1902.

	AMOUNT OUTSTANDING.		DUE DATE.	SINKING FUNDS ACCRUED.	NET INDEBTEDNESS.	ANNUAL CHARGE.			REMARKS.
	£	s. d.				Rate	Amount.	When payable.	
New Zealand Loan Act, 1863	266,300		15 July, 1914	137,880	£ 128,420	% 5	% 1	15 Jan. and 15 July.	
Consolidated Loan Act, 1867	288,400		Ann. drawing	..	288,400	5	..	Quarterly, 15 Jan., &c.	
Immigration and Public Works Loan Act, 1870 ..	1,000,000*		1 June, 1907	705,703	294,297	4	2½	1 June and 1 Dec.	Sinking Fund payable 13 Mar. and 13 Sept.
Canterbury Loan Ordinance, 1862	3,800 12,200	16,000	{ 2 Jan., 1915 2 July, 1916 }	13,470	2,530	6	1	30 June " 31 Dec.	*Only £200,000 has actually been issued to the public; the unsold debentures are available for the purpose of obtaining temporary advances from time to time.
Consolidated Loan Act, 1867 .. .. .	..	13,000	15 April, 1913	..	13,000	4	..	15 April " 15 Oct.	
Immigration and Public Works Loan Act, 1870	368,000	390,900	{ 15 April, 1913 15 April, 1913 }	..	363,000	4	..	15 April " 15 Oct.	
Defence and Other Purposes Loan Act, 1870	27,900	..	1 July, 1910	..	27,900	4½	..	15 April " 31 Dec.	
..	25,000	..	15 April, 1913	..	25,000	4½	..	30 June " 31 Dec.	
..	75,000	100,000	15 April, 1913	..	75,000	4	..	15 April " 15 Oct.	
..	17,400	..	15 Oct., 1913	..	17,400	4	..	15 April " 15 Oct.	
General Purposes Loan Act, 1873	10,800	82,900	{ 15 May, 1914 28 Nov., 1914 }	..	10,800	4	..	15 May " 15 Nov.	
..	54,700	..	1 July, 1909	..	54,700	5	..	15 May " 15 Nov.	
..	40,000	137,100	{ 1 July, 1909 1 April, 1905 }	..	40,000	6	..	15 May " 15 Nov.	
..	97,100	..	1 April, 1905	..	97,100	4	..	1 April " 1 Oct.	
Government Loans to Local Bodies Act, 1886 ..	..	250,300	1 Sept., 1907	..	250,300	3½	†	1 Mar. " 1 Sept.	†The Sinking Fund is payable on £1,744,100 (1½ per cent. on £1,354,514, 1 per cent. on £15,675, and ½ per cent. on £373,911); the Land Assurance Fund is also charged with ½ per cent. as a contribution towards Sinking Fund.
Consolidated Stock Act, 1877	29,150,302	43,344,426	{ 1 Nov., 1929 1 Jan., 1940 }	..	29,150,302	4	..	1 May " 1 Nov.	
..	6,161,167	..	1 April, 1945	..	6,161,167	3½	..	1 Jan. " 1 July	
..	8,032,957	..	..	..	8,032,957	3	..	1 April " 1 Oct.	
Consolidated Stock Act, 1884—	214,500	724,000	{ 1 Sept., 1905 31 Dec., 1907 }	..	724,000	3½	..	1 Mar. " 1 Sept.	
Colonial Issue	509,500	..	..	..	..	..	..	..
Native Land Purchases Act, 1892 (Renewed under the Aid to Public Works and Land Settlement Act, 1889)	..	125,000	31 Oct., 1906	..	125,000	3½	..	30 April " 31 Oct.	‡£82,200 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, 1889)	..	45,276	31 Oct., 1906	..	45,276	3½	..	30 April " 31 Oct.	
Carried forward .. .. .	..	46,788,602	..	857,063	45,926,549	..	..	30 April " 31 Oct.	

Table No. 4.

STATEMENT of the ESTIMATED LIABILITIES chargeable on the CONSOLIDATED FUND (REVENUE ACCOUNT) outstanding on the 31st MARCH, 1893, 1894, 1895, 1896, 1897, 1898, 1899, 1900, 1901, and 1902.

	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.	31st March, 1902.
REVENUE ACCOUNT.										
Permanent Appropriations,—										
Civil List	150 0 0	370 0 0	437 0 0	350 0 0	894 11 8	950 0 0	..	991 15 0	505 0 0	793 6 6
Under Special Acts of the Legislature	82 0 0	22 18 10	9 4 6	155 2 0	163 4 6	214 8 0	..	731 14 11	930 1 4	881 7 0
Subsidies payable to Local Authorities	1,042 0 0	897 16 4	959 3 10	1,170 3 0	651 15 0	631 5 0	160 17 11	867 12 6	136 18 0	313 1 0
Under the Land Acts, payable to Local Authorities ..	2,693 6 1	2,553 2 1	2,553 2 1	2,553 2 1	2,553 2 1	1,824 17 2	1,824 0 6	1,757 0 1	1,757 0 1	1,757 0 1
	3,967 6 1	3,843 17 3	3,958 10 5	4,228 7 1	4,262 13 3	3,620 10 2	1,984 18 5	4,348 2 6	3,328 19 5	3,744 14 7
Annual Appropriations,—										
Legislative	16 6 6	222 10 0	10 13 0	15 17 7	..	87 4 11	45 5 10	33 19 4	51 1 2	85 11 8
Colonial Secretary	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	6,583 4 6	12,893 9 7	10,604 5 11
Colonial Treasurer	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	87 0 4
Minister of Justice	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	2,155 10 5
Postmaster-General	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	34,029 0 0
Commissioner of Customs ..	2,954 0 0	2,584 13 7	2,837 0 1	3,936 1 8	3,469 1 2	6,218 8 4	4,564 12 3	4,646 10 9	5,750 17 1	3,663 1 1
Commissioner of Stamps ..	618 4 8	207 17 10	282 17 0	219 2 7	3,451 2 0	346 1 0	745 3 11	529 16 8	506 14 2	1,054 9 7
Minister of Education	3,267 12 5	3,734 19 11	2,333 8 7	1,368 8 9	1,361 4 7	418 0 0	651 17 4	1,970 19 7	1,724 2 11	1,411 10 7
Minister of Labour .. ..	..	..	..	..	..	..	..	..	112 19 6	390 14 2
Minister of Native Affairs ..	150 0 0	..	..	..	..	..	..	..	..	..
Minister of Mines	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	2,033 16 0
Minister for Agriculture ..	..	1,815 4 4	1,936 10 7	2,037 4 3	2,266 17 3	2,521 16 10	2,638 18 10	4,335 1 5	3,202 6 2	3,673 5 6
Working Railways	55,399 16 1	56,663 5 0	61,912 6 2	52,542 7 4	65,971 3 1	74,818 16 6	66,163 16 11	74,911 6 6	90,777 9 3	95,972 4 10
Public Buildings	665 0 0	742 10 0	413 12 3	108 14 4	181 14 9	2,556 5 4	..	185 0 0	81 0 0	312 16 6
Minister of Defence*	8,800 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	21,836 8 9
Minister of Lands	4,282 0 0	8,000 1 2	6,535 0 0	6,559 0 0	4,142 10 9	15,008 10 10	10,175 11 4	4,908 10 5	9,587 1 9	2,131 2 4
Rates on Crown Lands	444 0 0	138 8 4	184 4 7	100 0 0	60 0 0	..	735 18 4	838 7 9	980 0 4	278 9 1
Valuation Department .. ..	..	..	..	..	..	..	460 0 0	600 0 0	980 0 0	836 17 11
	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	180,575 4 8
Services not provided for ..	..	814 2 9	420 4 9	..	522 8 0	..	..	3 7 6	25 0 0	..
Totals	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	184,319 19 3

* Includes Police liabilities.

Table No. 6.
STATEMENT showing the Total Ways and Means of the PUBLIC WORKS FUND and the Total Net EXPENDITURE to the 31st MARCH, 1902.

WAYS AND MEANS.		£	s.	d.	£	s.	d.	NET EXPENDITURE.	£	s.	d.
LOANS:—								Expenditure on—			
Immigration and Public Works Loan, 1870	..	4,000,000	0	0				Immigration ..	2,147,858	10	6
Immigration and Public Works Loan, 1873	..	2,000,000	0	0				Public Works, Departmental ..	477,087	7	11
Immigration and Public Works Loan, 1874	..	4,000,000	0	0				Railways, including Surveys of New Lines ..	18,501,966	11	10
General Purposes Loan Act, 1873	..	750,000	0	0				Roads ..	5,966,209	6	7*
New Zealand Loan Act, 1876	..	2,200,000	0	0				Land Purchases ..	1,983,230	18	10
New Zealand Loan Act, 1877	..	5,000,000	0	0				Development of Goldfields ..	701,678	14	7
New Zealand Loan Act, 1879	..	3,000,000	0	0				Telegraph Extension ..	937,887	2	3
New Zealand Loan Act, 1882	..	250,000	0	0				Public Buildings ..	2,655,249	9	6
New Zealand Colonial-inscribed Stock Loan Act, 1882	..	1,000,000	0	0				Lighthouses, Harbour-works, and Defences ..	977,771	18	11
North Island Main Trunk Railway Loan Act, 1882	..	1,500,000	0	0				Contingent Defence ..	636,835	17	0
New Zealand Loan Act, 1884	..	1,325,000	0	0				Rates on Native Lands ..	64,796	13	6
New Zealand Loan Act, 1886	..	473,487	7	11				Thermal Springs ..	14,599	13	2
District Railways Purchasing Acts, 1885-86	..	1,000,000	0	0				Tourists' and Health Resorts ..	11,260	0	10
New Zealand Loan Act, 1888	..	149,700	0	0				Lands Improvement ..	1,741	7	10
Native Land Purchase Act, 1892	..	500,000	0	0				Charges and Expenses of raising Loans ..	1,063,390	14	1
Lands Improvement and Native Lands Acquisition Act, 1894	..	4,348,180	12	6				Coal-mines ..	10,835	8	0
Aid to Public Works and Land Settlement Acts	..	465,000	0	0				Interest and Sinking Fund ..	218,500	0	0
Temporary advances on security of short-dated debentures	..				32,717,368	0	5				
											36,430,899 15 4
RECEIPTS IN AID:—											
Amount transferred from Consolidated Fund	..	3,205,000	0	0							
Contributions of Canterbury Province for Railways	..	56,000	0	0							
Stamp Duties to 31st December, 1876	..	264,657	16	4							
Transfer from Confiscated Lands Liabilities Account	..	19,963	1	3							
Proceeds of Railway Material handed over to Cook County Council	..	4,963	7	4							
Special Receipts under section 9 of "The Railways Construction Act, 1878"	..	60,616	3	0							
Special Receipts under the Ellesmere Lake Lands Acts, 1888 and 1893	..	23,732	9	0							
Special Receipts under "The Railways Authorisation and Management Act, 1891"	..	2,257	1	9							
Special Receipts under "The North Island Main Trunk Railway Loan Application Act, 1886"	..	17,581	5	0							
Sinking Funds released	..	506,819	19	3							
					4,167,591	2	11	Balance on 31st March, 1902—			
								Cash in the Public Account ..	405,922	16	5
								Advances in the hands of officers of the Government ..	48,136	11	7
											454,059 8 0
											£36,884,959 3 4

* Has been reduced by £89,800 received under section 31 of "The Government Loans to Local Bodies Act, 1886."

Table No. 7.

STATEMENT showing the Amount charged to UNAUTHORISED in each Financial Year from 1st July, 1875, to 31st March, 1902.

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.						
1875-76	13,167	4 8	19,195	17 1	32,363	1 9	3,155	9 2	63,875	11 8	99,394	2 7
1876-77	18,397	17 1	13,398	7 0	31,796	4 1	3,490	6 1	2,197	4 5	37,483	14 7
1877-78	19,079	12 6	58,709	17 2	77,789	9 8	653	6 5	22,009	14 0	100,452	10 1
1878-79	11,413	16 1	47,466	4 5	58,880	0 6	3,938	14 8	32,179	1 1	94,997	16 3
1879-80	5,818	9 9	18,466	2 1	24,284	11 10	1,005	3 10	17,096	9 9	42,386	5 5
1880-81	6,151	13 9	37,825	6 6	43,977	0 3	13,443	11 3	34,133	17 3	91,554	8 9
1881-82	3,899	16 3	38,474	18 9	42,374	15 0	13,590	6 10	2,217	9 8	58,182	11 6
1882-83	4,473	15 8	64,631	0 2	69,104	15 10	12,343	2 2	8,137	17 11	89,585	15 11
1883-84	7,293	9 9	45,284	2 6	52,577	12 3	9,003	18 7	31,741	17 10	93,323	8 8
1884-85	5,981	17 8	39,039	17 11	45,021	15 7	7,163	15 3	872	0 11	53,057	11 9
1885-86	9,337	11 2	47,106	10 3	56,444	1 5	13,965	10 1	6,465	17 5	76,875	8 11
1886-87	14,337	19 7	38,117	13 5	52,455	13 0	6,212	16 7	28,633	10 8	87,302	0 3
1887-88	7,303	17 10	42,104	15 10	49,408	13 8	27,821	16 11	30,407	2 3	107,637	12 10
1888-89	3,521	18 2	35,157	16 5	38,679	14 7	13,506	2 8	18,633	2 10	70,819	0 1
1889-90	4,412	5 3	43,257	1 0	47,669	6 3	23,631	7 1	12,287	18 10	83,588	12 2
1890-91	10,610	1 0	76,778	5 11	87,388	6 11	5,459	18 11	7,097	19 9	99,946	5 7
1891-92	2,288	3 2	21,026	16 4	23,314	19 6	9,193	10 6	7,594	1 2	40,092	11 2
1892-93	1,741	7 10	28,283	15 11	30,025	3 9	4,754	17 10	11,149	14 2	45,929	15 9
1893-94	2,350	7 0	7,376	7 4	9,726	14 4	522	12 2	1,335	12 11	11,584	19 5
1894-95	8,985	3 7	9,148	0 5	18,133	4 0	1,890	7 5	330	8 1	20,353	19 6
1895-96	22,422	16 10	16,229	5 9	38,652	2 7	16,995	9 9	33,245	2 4	88,892	14 8
1896-97	3,188	17 7	24,195	2 9	27,384	0 4	24,726	3 6	7,051	0 8	59,161	4 6
1897-98	2,258	19 7	39,314	13 4	41,573	12 11	4,743	17 10	53,648	14 0	99,966	4 9
1898-99	3,305	15 11	36,468	0 10	39,773	16 9	2,304	8 10	8,222	10 6	50,300	16 1
1899-1900	11,187	13 8	60,652	13 7	71,840	7 3	..	..	7,990	18 7	79,831	5 10
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
1901-1902	3,836	7 0	68,866	10 9	72,702	17 9	253	8 10	6,955	4 10	79,911	11 5

