

1903.  
NEW ZEALAND.

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# FINANCIAL STATEMENT

*(In Committee of Supply, 11th August, 1903)*

BY THE COLONIAL TREASURER, THE RIGHT HON. R. J. SEDDON, P.C., LL.D.

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MR. MILLAR,—

I bring before the Committee the Budget for the year with confidence, believing that honourable members will accept the assurance that, consistently with meeting the requirements of the colony, strict economy has been observed. In proof of this, the total increase on the annual appropriations is only £31,000, and this in the face of new Departments, increasing population, greater conveniences, and extensive development. I estimate a considerable increase of revenue, and believe that after providing for all charges there will be a substantial balance to the good.

The financial position of the colony is sound and satisfactory. There is a buoyancy in the revenue from the Customs and Railways—barometers that never fail to faithfully mark the prosperity and well-being of the people. Prudent administration is essential, and we must not, merely because we have an increasing revenue, deem it proper on that account to increase our expenditure; quite the reverse, as the surest protection against adversity is to practise economy during prosperity.

Every year since the Liberal party came into office the Government, by their prudent administration in maintaining a strong finance and increasing and insuring the spending-powers of the people, have been able to announce a surplus on the year's transactions.

This year is no exception to the rule, and, as members are already aware from the Public Accounts, which are before them, we closed the past year with a credit balance of £303,905; and for the current year I later on in the Budget show a substantial surplus, which I am positive will be realised, if not exceeded.

Honourable members must, like myself, feel disappointed at the price of our stock on the London markets; and considering our ability not only to meet our every engagement, but after doing so to devote annually to development purposes large sums of money, the situation is the more inexplicable. The cause of the low price of colonial stock is far afield from New Zealand, and the reasons therefor are fully dealt with later on.

The best way to improve our position is to keep public-works expenditure within reasonable limits, practise the strictest economy, prove ourselves self-contained, and seek as little money outside the colony as possible. The collateral and other advantages of raising the money in the colony, and keeping the principal and interest within ourselves, are strikingly apparent, and the lesson for the moment will prove of lasting good. It is much better that the time for the completion of some of our railways should be extended, the erection of public works be postponed, and conveniences stand over, than to receive £91 15s. net for every hundred-pound debenture.

I will avoid as far as possible wearying members with a mass of figures, but will ask them to refer to the tables which accompany this Statement, confining myself to the most important details only. In this my seventh Budget,

i.—B. 6.