

The net indebtedness of New Zealand in March, 1882, stood at £27,315,593, or £54 1s. 11d. per head of population, and had increased by March, 1902, to £51,837,631, or £65 12s. 4d. per head—an increase for the twenty years of £24,522,038. This twenty-four millions and a half of money (which was not all raised outside the colony), as is shown above, only had the effect of raising the debt per head by £11, on account of the increase which has taken place in the population.

The debt of the local bodies adds to the liability. It increased from £3,277,584 in 1882 to £7,839,695 in 1902, or a sum of four millions and a half sterling.

The burden of the public debt expressed by the degree of its pressure upon the taxpayers is illustrated by comparing the actual amounts paid out of the revenue of the Consolidated Fund for annual charge, which consists of interest and sinking fund, and the proportion of the revenue which is absorbed by these charges. A comparison can be made for the years 1895 and 1902, which shows a movement entirely satisfactory in its direction.

		Year ending March, 1895.	Year ending March, 1902.
1. Amount actually paid for charges of debt	...	£1,716,889	£1,803,939
2. Rate per head of mean population	... ..	£2 10s. 3d.	£2 6s. 2d.
3. Percentage of revenue absorbed by public debt charges	... ..	38.96	29.80

The amounts shown above as interest and sinking fund do not comprise the whole of the interest and sinking fund paid by the Government in respect of moneys raised by the issue of loans. Thus, in respect of loans raised under the Land for Settlements Acts, the Government Advances to Settlers Acts, and for the purchase of the Cheviot Estate, the interest, although made a charge upon the Consolidated Fund, is recovered from the receipts derived from the leasing of the lands or, in the case of moneys borrowed, from instalments paid by borrowers. The amount of interest thus charged and recovered during the year 1902 was £148,691. Such interest does not become a burden upon the taxpayer, and consequently is not included in the figures upon which the rate per head of mean population is calculated.

PUBLIC WORKS.

The expenditure on our public works during the last twenty years, though considerable, was less than during the preceding thirteen years, which carries us back to the initiation of the public-works policy. During the thirteen years ended the 31st March, 1883, the gross total public-works expenditure amounted to £19,054,018, while during the twenty years between that date and the 31st March last the amount was £18,890,811. The yearly average during the former period was considerably larger than during the latter, the respective figures being £1,465,694 and £944,541.

The expenditure on the different classes of works was as follows :—

					£
Railways	...	...	...	...	8,970,074
Roads	...	...	...	...	4,364,423
Development of goldfields	...	...	...	...	208,288
Telegraphs	...	...	...	...	567,780
Public buildings	...	...	...	...	1,713,527
Purchase of Native lands	...	...	...	...	1,101,800
Miscellaneous	...	...	...	...	1,964,919
Total	...	...	...	...	£18,890,811

The total length of Government railways opened for traffic during the period under review is 933 miles, in addition to which 194 miles of private lines have been acquired.

The amount expended under the head of Native-land purchase has resulted in an addition to the public estate of no less than 4,185,740 acres of land.