

CONCLUSION.

Honourable gentlemen will see that an effort has been made to do even-handed justice to all classes of the Dominion, and I trust that by the means that I have outlined every section of this country will be brought into closer harmony for the one great purpose—namely, the promotion of our national well-being and happiness. In dealing with the financial requirements of our growing country, each year brings its additional responsibilities, and, at times, naturally its attendant anxieties. During portion of this year there was more than ordinary anxiety, brought about by causes not arising within the borders of New Zealand or under our own control—I refer to those disturbing elements which early in December last visited the United States of America, and for a time crossed over into the financial world of England.

To meet the difficult financial position that had arisen in America, large sums of gold were quickly transferred to that country from England, with the inevitable result that, temporarily, financial tightness presented itself in the Old Land, not because money was scarce, but because the balance of the necessary reserves—owing to large exports of gold—was being reduced to below normal, and the Bank of England discount-rate ran up to the abnormally high one of 7 per cent. Fortunately for us, we had financially no connection with the United States of America—our own finance was arranged well ahead, and we were in a strong position. At such periods, unhappily, there are those to be found who take fright, and fright, like fever, is catching. History shows that at such times, if enough people lose their heads, what is a strong and powerful position can easily be converted into one of doubt and uncertainty, and even panic. It is just then that we require to be cool, and not allow our better judgment to be warped by the cry of the alarmists. It is satisfactory, looking at the critical time outside the Dominion to which I have referred, that we have been able to get along without any genuine cause for alarm. It is something to be able to tell you that the revenue for the first quarter this year shows an increase, even though it is not large, over that of the same period for last year; this notwithstanding the large concessions in revenue made to the public, and this, too, in spite of the reiterated statements of some people that we had started on a downward grade. Eight months have passed by since the financial difficulty in America and England was at its height, and our revenue for the last quarter, during which all the reductions were in operation, shows that we are still more than holding our own. Money is now easy and plentiful in England, and the Bank of England rate has for some time been down to 2½ per cent. I have not at any time shut my eyes to the necessity for caution—I have always in connection with the country's finance been careful; but I do not subscribe to those who take the view that trouble and disaster are imminent in New Zealand because of every recurring change that from time to time presents itself on the horizon of other countries.

I have now placed before honourable members particulars and information connected with our financial position which I hope will be of interest to them and the people.

With energy and enterprise, duly tempered by prudence—qualities for which New-Zealanders have never been found wanting—I am confident that the financial result of the current year will be as satisfactory as the last.