

I N D E X .

| | PAGE. |
|---|-------|
| Accumulated Surpluses | iii |
| Advances to Discharged Soldiers | x |
| Advances, State | xv |
| Agriculture | xii |
| Amusement-tax | viii |
| Balance-sheets : Departmental | xx |
| Balances on 31st March, 1923 :— | |
| Consolidated Fund | iii |
| Public Works Fund | v |
| Bank-note Tax | viii |
| Bank of New Zealand :— | |
| Dividends | xxv |
| New Shares | xxv |
| Beer Duty | vi |
| British War Loan Stock | v |
| Conclusion | xxxii |
| Consolidated Fund :— | |
| Estimated Expenditure, 1923-24 | xxvii |
| Estimated Revenue for 1923-24 | xxvii |
| Expenditure for 1922-23 compared with 1921-22 | ii |
| Result of Year's Operations | iii |
| Revenue Decreases | ii |
| Revenue for 1922-23 compared with 1921-22 | i |
| Revenue Increases | i |
| Contribution to Naval Base | xiv |
| Conversions | xx |
| Cook and Niue Islands | xx |
| Cost of Living | xxv |
| Customs :— | |
| Revenue, 1922-23 | vi |
| Beer Duty | vi |
| Estimated, 1923-24 | vii |
| Death Duty | viii |
| Debt Reduction | xxiv |
| Defence Department :— | |
| Defence | xiii |
| Naval Defence | xiv |
| Repatriation | xi |
| War Expenditure | xiii |
| Departmental Balance-sheets | xx |
| Department of Health | xv |
| Discharged Soldiers Settlement | x |
| Dominion's Progress | xxvi |
| Economies | iii |
| Education Department :— | |
| Education | xiv |
| Teachers' Superannuation Fund | xviii |
| Estimates :— | |
| Expenditure, 1923-24 | xxvii |
| Revenue, 1923-24 | xxvii |
| Result for Year 1923-24 | xxvii |
| Estimates and Proposals | xxx |

| Expenditure :— | PAGE. |
|---|-------|
| Expenditure, 1922-23, compared with previous Year | ii |
| Estimated for 1923-24 | xxvii |
| Public Works | iv |
| Exports and Imports | vi |
| Finance : Treasury | xxi |
| Five-per-cent. British War Loan Stock | v |
| Flood Relief | xxvi |
| Four-million Loan, 1923 | xxi |
| Free-of-income-tax Securities | xx |
| Funded Debt | xxii |
| Government Insurance Department | xvii |
| Health Department | xv |
| Housing | xvi |
| Immigration | xiii |
| Imperial Debt ; Funded | xxii |
| Imperial Securities, Profit on | v |
| Imports and Exports | vi |
| Income-tax Receipts | vii |
| Inland Revenue Department | vii |
| Inscribed Stock domiciled in London | xxi |
| Insurance on Public Buildings | xx |
| Insurance, State Fire | xvii |
| Interest-bearing Investments | iv |
| Land-tax Receipts | vii |
| Land-settlement | ix |
| Loans :— | |
| 1923 Loan | xxi |
| Falling due | xxiv |
| Redemptions and Renewals | v |
| Maori War Pensions | xvi |
| Miners' Pensions | xvi |
| National Provident Fund | xvii |
| Native | xviii |
| Native Land Settlement | xviii |
| Nauru and Ocean Island Phosphate | xii |
| Naval Base, Contribution to | xiv |
| Naval Defence | xiv |
| New Zealand Inscribed Stock domiciled in London | xxi |
| Old-age Pensions | xvi |
| Penny Postage | ix |
| Pensions | xvi |
| Permanent Charges 1922-23 compared with 1921-22 | ii |
| Phosphates, Supply of | xii |
| Post and Telegraph Department | viii |
| Profit on Imperial Securities | v |
| Progress of Dominion | xxvi |
| Proposals for Year, Summary of | xxx |
| Public Debt | xxii |
| Public Debt Reduction | xxiv |
| Public Service Superannuation Fund | xviii |
| Public Trust Office | xviii |
| Public Works Department | iv |
| Public Works Fund | v |
| Railway Department | viii |
| Railways Superannuation Fund | xviii |
| Redemptions and Renewals | v |
| Reduction of Taxation | xxvi |
| Reduction Public Debt | xxiv |
| Repatriation | xi |

| | PAGE |
|--|-------|
| Reserve Fund in London | xxv |
| Result of Year's Operations | iii |
| Results, 1922-23, Summary of | xxvii |
| Revenue :— | |
| Consolidated Fund, 1922-23 | i |
| Customs—Estimated, 1923-24 | vii |
| Total estimated, 1923-24 | xxvii |
| Samoa | xix |
| Savings in Departmental Expenditure | ii |
| Savings through Investments from Surpluses | iv |
| Sinking Funds | xxiii |
| Soldiers :— | |
| Pensions | xvii |
| Repatriation | xi |
| Stamp and Death Duties | vii |
| State Advances Office | xv |
| State Fire Insurance | xvii |
| State Guarantee | xxv |
| Stores Control Board | xx |
| Superannuation Funds :— | |
| Public Service | xviii |
| Railways | xviii |
| Teachers' | xviii |
| Surplus for Year 1922-23 | i |
| Surpluses accumulated | iv |
| Swamp Drainage Reclamation | x |
| Tariff Alteration | xxv |
| Taxation :— | |
| Reduction of | xxvi |
| Amusement-tax | viii |
| Income-tax | vii |
| Land-tax | vii |
| Totalizator-tax | viii |
| Teachers' Superannuation Fund | xviii |
| Telephone Rates | ix |
| Treasury Bills | vi |
| Treasury Finance | xxi |
| War :— | |
| Expenditure | xiii |
| Pensions | xvii |
| Western Samoa | xix |
| Widows' Pensions | xvi |
| Working Railways | viii |
| Year's Operations, Summary of | xxvii |
| Year's Surplus | i |

SESSION II.
1923.
NEW ZEALAND.

FINANCIAL STATEMENT

(In Committee of Ways and Means, 3rd July, 1923.)

MR. CHAIRMAN,—

I have the honour to submit the annual statement of the finances of the Dominion as at the 31st March, 1923, and in doing so desire to congratulate the Committee upon the satisfactory position of the Consolidated Fund, Ordinary Revenue Account, which at the end of the year disclosed a surplus of revenue over expenditure amounting to £1,315,683.

This gratifying result is attributable to the general improvement in the condition and prospects of the Dominion, brought about principally by the revival of the overseas demand for our produce and by economical administration.

Full particulars of the revenue and expenditure will be found in the tables attached to this statement, and in the published accounts which accompany it.

CONSOLIDATED FUND: ORDINARY REVENUE.

REVENUE.

The estimated revenue for the year 1922–23 amounted to £26,250,000, whilst the actual amount received was £27,579,443 or £1,329,443 above the estimate, and £547,564 less than that collected during 1921–22. The principal increases were as follow :—

| | £ |
|--------------------------------|---------|
| Customs | 936,856 |
| Beer duty | 153,230 |
| Stamp and death duties | 136,787 |

The main increase in Customs duty took place during the last five months of the year, and is due to the change made in the tariff in November, 1921; to large importations of soft-goods during the March quarter; and to the duty collected on alcoholic liquors and other luxuries.

The following increases are attributed to increased rates of duty: Tobacco, cigarettes, &c., £277,738; tires for motor-vehicles, £61,135.

Increased importations of apparel, drapery, textiles, boots, and silks account for increased revenue totalling £657,724.

Another source of increased revenue has been the extra preferential duty levied on foreign goods; for example, cotton piece-goods, increase £19,892; tools, £9,800; sewing-machines and typewriters, £3,580.

The gross increase in Customs duty amounted to £1,028,869; but after deducting decreases due to the change in the tariff and in the revenue collected on spirits, the net excess is £936,856.

There was a decrease of £2,267,369 in land and income tax, and in this connection I may explain that in 1920–21 the total tax collected was £9,937,923; in 1921–22, £7,640,803; in 1922–23, £5,373,434. The income-tax collections are based on the business transactions and assessments thereon for each preceding year, and indicate the course of the post-war depression. When the estimates for 1922–23 were prepared, it was anticipated that there would be a further decrease of £2,040,803. Notwithstanding this, reductions were granted in taxation during 1922–23 amounting to £929,100, so that a gross drop of £2,969,903 would have eventuated had not the assessments for 1921–22 realized more than was expected. The revenue would thus have been less by £2,969,903, but recovered to the extent of £702,534, so that the actual decrease was £2,267,369 only.

There is a nominal increase of £416,009 in departmental and other receipts, but this is due to an alteration in the system of accounting whereby receipts formerly credited to certain departmental votes are now credited to revenue—a change that ensures closer parliamentary control over the annual appropriations.

EXPENDITURE.

The total expenditure out of the Ordinary Revenue Account amounted to £26,263,760, being £2,203,078 under the expenditure of the previous year, and £1,851,946 less than the amount appropriated by Parliament.

The expenditure under the three main heads was as follows:—

| | |
|---|-------------|
| | £ |
| Civil List and special Acts | 4,073,957 |
| Interest and sinking fund charges (including £141,171 paid off debt on account of Imperial funded debt) | 8,899,957 |
| Annual appropriations | 13,289,846 |
| | <hr/> |
| Total | £26,263,760 |
| | <hr/> <hr/> |
| Compared with the previous year the <i>decreases</i> are,— | £ |
| Civil List and special Acts | 357,926 |
| Annual appropriations | 2,302,831 |
| | <hr/> |
| Gross decrease | 2,660,757 |
| Less an <i>increase</i> in the interest, sinking fund, and repayment charges of | 457,679 |
| | <hr/> |
| Leaving the net decrease as mentioned above .. | £2,203,078 |
| | <hr/> <hr/> |

The higher rates of interest are mainly the reason for the increase of £457,679, but the estimated expenditure under this heading for the current year shows a decrease of £233,782.

The decrease in expenditure in annual appropriations and under special Acts, apart from interest and sinking-fund charges, was £2,660,757.

The savings in departmental expenditure are common to nearly all votes, the principal reductions being—

| | |
|---|-----------|
| | £ |
| Post and Telegraph working-expenses | 336,145 |
| Public buildings | 31,217 |
| Defence and Naval | 222,629 |
| Lands and Survey | 63,295 |
| Customs | 33,123 |
| Railways | 1,527,053 |
| Education | 65,571 |
| Agriculture | 66,979 |
| Marine | 34,491 |

RESULT OF THE YEAR'S OPERATIONS, 1922-23.

| | £ |
|---|-------------|
| Balance brought forward, 1st April, 1922 | 7,531,367 |
| | £ |
| Revenue | 27,579,443 |
| Expenditure—Permanent charges and appropriations | 26,263,760 |
| | <hr/> |
| Leaving a surplus of | 1,315,683 |
| | <hr/> |
| Total | 8,847,050 |
| Deduct— | |
| Payment to Loans Redemption Account for redemption and cancellation of securities | £ 3,159,960 |
| Transfer to Discharged Soldiers Settlement Depreciation Fund | 50,000 |
| | <hr/> |
| | 3,209,960 |
| | <hr/> |
| Balance at 31st March, 1923 | £5,637,090 |
| | <hr/> <hr/> |

The year's operations taken in conjunction with the overseas trade figures and banking returns afford proof of the recuperative powers of the country, and of the progress made in the adjustment of the economic situation.

Whatever may be said to the contrary, the country is making a speedy recovery, and the upward movement is increasing in strength and confidence. I believe we have reached the end of the period of unrest and uncertainty; but, although most of our temporary difficulties have been surmounted, conditions are still far from normal, so that continued prudence is necessary. The sound financial position that we have attained should therefore be regarded as affording an opportunity to lighten the burden of taxation and to relieve industry and commerce, rather than an indication that stringent economy and good management may be relaxed.

ECONOMIES.

Last year when outlining the progress of the economy policy initiated early in 1921 I gave an estimate of further expected savings, and stated that in departmental votes and under special Acts, the gross savings, with other proposed economies, were expected to amount to £4,028,863. The figures for 1922-23 show that, with the savings effected last year, the reduction over the period referred to amounts to £3,735,049, the difference being chiefly due to the fact that the third deduction from the cost-of-living bonus or increase granted to public servants was not made.

The scope for effecting economies is limited, and further savings in expenditure at this rate cannot be looked for if the services of the country are to be efficiently maintained and adequate provision made for growing needs; nevertheless, the practice of strict economy continues to be imposed on Departments. The increased rates of interest and expenditure due to normal expansion have made the problem of reducing expenditure and standardizing financial sacrifice extremely difficult, but a net saving of £2,203,078 for the year is a notable achievement. In many cases essential expenditure has had to be postponed or seriously curtailed. Expenditure, however, must be regulated by income, and in the development of our great resources it is necessary that the annual charge should be kept proportionate to the ability of the country to provide the revenue.

ACCUMULATED SURPLUSES.

The balance of accumulated surpluses brought forward on the 1st April, 1922, amounted to £7,531,367.

Included in this sum was £2,129,420 of excess Customs revenue received in 1920-21, which was reserved to meet the anticipated fall in revenue. This reserve was utilized during the greater portion of the year, but when the effect of economy was felt in the reduction of expenditure and the revenue came in, the necessity for this reserve disappeared, and the amount was restored to the Accumulated Surpluses Account.

It will be observed that £3,159,960 was applied in redemption of securities of a nominal value of £3,160,030, which were cancelled and discharged from the public debt. I propose to apply a further £500,000 to meet redemption of loans maturing during the coming year. Legislation will also be submitted to you authorizing the transfer of £1,000,000 to the Public Works Fund, and £100,000 to Education Loans Account for school buildings, thus providing funds for capital expenditure without borrowing.

The total interest-bearing investments from the surpluses amount to £17,260,000, giving an annual income of £712,870, which is permanently relieving taxation to that extent.

The advantages of applying the accumulated surpluses to capital purposes in preference to borrowing moneys at high rates of interest, will, I think, be recognized by honourable members. Some objection has been taken to the use of the surplus for soldier-settlement purposes, but owing to the embargo on the London market it was practically impossible at the time the money was most urgently required, to float loans on anything like reasonable terms, if at all.

The following statement shows how the accumulated surpluses have been applied:—

STATEMENT SHOWING HOW ACCUMULATED SURPLUSES HAVE BEEN APPLIED.

| To | Accumulated surpluses at | £ | By Transfers to— | £ | £ |
|----|----------------------------|--------------------|--|------------|--------------------|
| | 31st March, 1920 | .. 17,538,976 | Discharged Soldiers Settlement Account— | | |
| | Surplus for financial year | | 1920-21 | 13,330,000 | |
| | 1920-21 | 6,132,233 | 1921-22 | 170,000 | |
| | Surplus for financial year | | | | 13,500,000 |
| | 1922-23 | 1,315,683 | Discharged Soldiers Settlement Depreciation Fund | | |
| | Excess Customs revenue | | Account— | | |
| | restored from Ordinary | | 1920-21 | 50,000 | |
| | Revenue Account .. | 2,129,420 | 1921-22 | 50,000 | |
| | | | 1922-23 | 50,000 | |
| | | | | | 150,000 |
| | | | Public Works Fund, 1920-21 | | 500,000 |
| | | | Reserve Fund Securities Account, 1920-21 | .. | 1,200,000 |
| | | | Loans redemption, 1921-22 | 560,011 | |
| | | | Loans redemption, 1922-23 | 3,159,960 | |
| | | | | | 3,719,971 |
| | | | Ordinary revenue (excess Customs revenue) | | |
| | | | To balance revenue and expenditure, | | |
| | | | 1921-22 | 279,831 | |
| | | | To provide for estimated shortage in | | |
| | | | revenue, 1922-23 | 2,129,420 | |
| | | | | | 2,409,251 |
| | | | Balance, 31st March, 1923 | | 5,637,090 |
| | | | | | |
| | | <u>£27,116,312</u> | | | <u>£27,116,312</u> |

PUBLIC WORKS FUND.

The expenditure upon public works amounted to £3,912,886, or £1,548,521 less than the expenditure for the year 1921-22. Full details will be furnished by my colleague the Hon. Minister for Public Works in his annual statement. The requirements of the current year should be adequately met by the loan of £3,000,000 recently raised in London and by the transfer of £1,000,000 from the Surplus Revenue.

The obligations imposed by the war make it essential that the country should be developed and expanded and its production increased by a progressive policy of works and settlement. To do this it is necessary to provide outside capital, but our borrowing must be confined to directly and indirectly productive purposes, and in view of the increased interest and debt-reduction charges, its extent must be a matter for very careful consideration. If the war debt be considered apart from the ordinary debt, a considerable portion of which provides its own interest, the public debt is by no means excessive. If the weight of debt has increased during recent years there are normal forces in operation which tend to diminish the burden. Our prosperity depends almost entirely on our primary products, and in the matter of productivity this favoured land continues to show a wonderful response to all demands.

STATEMENT SHOWING THE POSITION OF THE PUBLIC WORKS FUND AS AT
31ST MARCH, 1923.

| | £ | £ |
|---|-----------|-------------|
| Balance brought forward on 1st April, 1922 | .. | 429,682 |
| <i>Receipts—</i> | | |
| Loan-money: Aid to Public Works and Land Settlement Act, 1921 | 2,902,420 | |
| Transfer from Railways Improvement Authorization Account in terms of section 5, subsection (1), Finance Act, 1922 | 1,000,000 | |
| Other receipts | 22,337 | |
| | <hr/> | 3,924,757 |
| | | <hr/> |
| | | 4,354,439 |
| <i>Expenditure—</i> | | |
| Under appropriations | 3,850,047 | |
| Other expenditure | 5,562 | |
| Charges and expenses of raising loans | 57,276 | |
| | <hr/> | 3,912,885 |
| | | <hr/> |
| | | £441,554* |
| | | <hr/> <hr/> |
| * The balance on 31st March, 1923, is made up as follows:— | | |
| | £ | |
| Cash in Public Account | 10,859 | |
| Investments | 230,000 | |
| Imprests in the hands of officers of the Government | 200,695 | |
| | <hr/> | |
| | | £441,554 |
| | | <hr/> <hr/> |

FIVE-PER-CENT. BRITISH WAR LOAN STOCK.

The amount of this stock, redeemable at par, but purchased for investment purposes at £95 and held by the different accounts at 31st March, 1923, totalled £2,570,000, nominal value. The price quoted on the market at that date was £102. As the purchase price was £2,441,500, this represents profits on the transaction amounting to £179,900, less accrued interest for four months included in the quotation price, leaving a net investment profit of £137,540, in addition to the interest earned at 5 per cent.

Subsequently in 1922–23 loan-moneys amounting to £2,000,000 were temporarily invested in this stock at prices varying from £99¼ to £99⅞ and sold as required, the balance remaining at 31st March being £130,000. Some of the early sales showed a slight loss, but the net return on this investment of £2,000,000 yielded above 5 per cent., leaving the unsold securities with accrued profits of £3,237.

REDEMPTIONS AND RENEWALS.

The loans which matured during the year amounted to £9,004,986, to which must be added £8,975 matured loans for which debentures had not been presented up to the 31st March, 1922, making a total of £9,013,961. Of this sum securities amounting to £2,431,695 were redeemed, and £6,576,706 renewed at rates of interest varying from 4 to 5½ per cent.

In addition to the redemption of securities at maturity as above, other securities totalling £6,034,506 were redeemed as under:—

| | £ |
|--|-------------|
| In terms of section 24 of the Finance Act, 1921–22 (before maturity) | 5,893,335 |
| Funded debt | 141,171 |
| | <hr/> |
| | £6,034,506 |
| | <hr/> <hr/> |

making a total of £8,466,201 redeemed during the year. Securities remaining unrepresented at the 31st March, 1923, totalled £5,560.

TREASURY BILLS.

It was not necessary to issue Treasury bills in anticipation of revenue until the 1st November, 1922, and then only to the extent of £250,000. The bills were paid off by the 31st March, and none were outstanding at the end of the financial year.

(CUSTOMS AND EXCISE.

REVENUE, 1922-23.

| | Estimated. | Amount realized. | Compared with Estimate. |
|------------------|-------------------|-------------------|----------------------------|
| | £ | £ | £ |
| Customs .. | 5,160,000 | 6,157,394 | 997,394 in excess. |
| Excise, beer .. | 650,000 | 612,479 | 37,521 short. |
| Totals .. | £5,810,000 | £6,769,873 | £959,873 in excess. |

The new tariff came into operation on the 3rd November, 1921, and, in anticipation of increased duties on spirits and tobacco, merchants had cleared all stocks of these goods from the bonded warehouses. The result was that, during 1922-23, the increased duties on proof spirits amounting to 36s. per gallon and to 4s. 8d. per pound on tobacco did not take full effect. More duty was, however, realized than was anticipated, especially during the concluding months of the financial year.

A return of duties collected on spirits and tobacco for the eight months ending 31st July, 1922, as compared with the eight months ending 31st March, 1923, shows that the stocks cleared in anticipation of a rise in duty have in a large measure been disposed of. A steady revenue of about £900,000 per annum from spirits and over £1,200,000 per annum from tobacco, as compared with an average of £700,000 on spirits and £950,000 on tobacco before the change of tariff, is expected.

The excise beer duty represents a total of 12,655,630 gallons of beer brewed at an average duty per gallon of 11·61d. The quantity brewed for the previous financial year was 13,669,777 gallons.

IMPORTS AND EXPORTS.

The values of the imports and exports for the past three financial years are as follow:—

| | Imports. | Exports. |
|---------------|------------|------------|
| | £ | £ |
| 1920-21 | 67,463,269 | 48,219,672 |
| 1921-22 | 35,986,060 | 43,794,883 |
| 1922-23 | 37,112,779 | 45,548,700 |

An analysis of the value of goods regarded according to origin shows that the proportion received from Great Britain is 52·2 per cent. of the total, as against 48·5 per cent. last year and 51·5 per cent. in 1914. The percentage on the same basis received from the United States was 15·4, as compared with 11·6 per cent. in 1914.

A comparative return of the value and tonnage of goods according to the countries whence imported during 1922-23 as compared with the three previous years will be of interest.

VALUE AND TONNAGE OF IMPORTS.

| Year. | British Ports. | | Per Cent. of | | United States of America. | | Per Cent. of | | Other Foreign Countries. | | Per Cent. of | | Totals. | |
|---------|----------------|-----------|--------------|----------------|---------------------------|---------|--------------|----------------|--------------------------|---------|--------------|----------------|------------|-----------|
| | Value. | Tons. | Total Value. | Total Tonnage. | Value. | Tons. | Total Value. | Total Tonnage. | Value. | Tons. | Total Value. | Total Tonnage. | Value. | Tons. |
| | £ | | | | £ | | | | £ | | | | £ | |
| 1919-20 | 21,915,915 | 1,034,071 | 68 | 77 | 8,086,058 | 235,219 | 25 | 18 | 2,160,146 | 67,556 | 7 | 5 | 32,162,119 | 1,336,846 |
| 1920-21 | 51,846,718 | 1,590,198 | 77 | 75 | 11,584,781 | 388,975 | 17 | 19 | 4,031,770 | 130,534 | 6 | 6 | 67,463,269 | 2,109,707 |
| 1921-22 | 27,897,065 | 1,234,778 | 77 | 84 | 5,973,578 | 190,153 | 17 | 13 | 2,115,417 | 37,720 | 6 | 3 | 35,986,060 | 1,462,651 |
| 1922-23 | 29,606,876 | 1,309,424 | 80 | 83 | 5,386,824 | 223,985 | 14 | 14 | 2,119,079 | 50,708 | 6 | 3 | 37,112,779 | 1,584,117 |

Estimated Customs Revenue for 1923-24.

The usual inquiries have been made from the banks, and from merchants. An optimistic feeling prevails, and there is reason to expect that the imports for the current year will show an increase over those of the year just closed.

The increased prices realized for our primary products abroad, and the good prospects for the immediate future, have caused merchants to increase their orders. The extension of the preferential tariff in favour of Great Britain and the reciprocal agreement with Australia are also bound to cause some increase of revenue. The estimate for the financial year 1923-24 is accordingly set down as under :—

| | £ |
|---|-------------------|
| Customs revenue | 7,000,000 |
| Excise beer | 750,000 |
| Timber export duty and other receipts | 7,000 |
| | <hr/> |
| Total | <u>£7,757,000</u> |

INLAND REVENUE DEPARTMENT.

LAND-TAX.

The land-tax receipts compared with those of 1921-22 show a decrease of £96,314. The comparison is as follows :—

| | £ |
|------------------|----------------|
| 1921-22 | 1,637,816 |
| 1922-23 | 1,541,502 |
| | <hr/> |
| Decrease | <u>£96,314</u> |

This decrease represents portion of the reduced revenue expected as a result of the reduction in the super-tax from 33½ to 10 per cent., the balance having been compensated by the increased value of land in districts revised under the provisions of the Valuation of Land Act. The subdivision of large taxpaying properties into smaller and non-taxpaying holdings has been another contributing factor in the reduction. The reduction in the super-tax afforded relief to all land-tax payers, a great many of whom had been compelled to meet the land-tax payment out of capital.

INCOME-TAX.

As compared with the receipts for 1921-22 the income-tax received in 1922-23 shows a decrease of £2,171,055, as follows :—

| | £ |
|------------------|-------------------|
| 1921-22 | 6,002,987 |
| 1922-23 | 3,831,932 |
| | <hr/> |
| Decrease | <u>£2,171,055</u> |

The decrease in the income-tax is due to the large shrinkage in the income of taxpayers generally, and to the removal of the super-tax of 20 per cent. I have already referred to the fact that the estimated decrease was abated by a business recovery reflecting favourably on the previous year's assessments.

STAMP AND DEATH DUTIES.

The net revenue derived from stamp and death duties was £3,581,291, or £855,291 in excess of the estimated receipts.

The following table shows the comparison with the previous year:—

| | 1922-23. | 1921-22. | Increase. | Decrease. |
|---|-----------|-----------|-----------|-----------|
| | £ | £ | £ | £ |
| Adhesive stamps | 72,375 | 252,235 | .. | 179,860 |
| Impressed stamps | 122,597 | 209,459 | .. | 86,862 |
| Duty on instruments | 537,726 | 552,043 | .. | 14,317 |
| Death duty | 1,779,178 | 1,443,313 | 335,865 | .. |
| Gift duty | 50,674 | 69,441 | .. | 18,767 |
| Company licenses | 58,106 | 54,981 | 3,125 | .. |
| Bank-note tax | 210,577 | 227,079 | .. | 16,502 |
| Totalizator revenue | 607,656 | 515,248 | 92,408 | .. |
| Amusement-tax | 137,546 | 103,815 | 33,731 | .. |
| Rates, fines, and miscellaneous | 4,856 | 16,890 | .. | 12,034 |
| | .. | .. | 465,129 | 328,342 |
| | .. | .. | 328,342 | .. |
| | 3,581,291 | 3,444,504 | 136,787 | .. |

The increase in death duty is due to the operation of the provision of the Act of 1921 to charge interest on duty unpaid on the estate of a deceased person after three months from the date of death, which has resulted in the early payment of duty. When the Act came into force on the 22nd December, 1921, there were many estates of persons who died prior to that date in respect of which duty did not become payable until after the 31st March, 1922, so that in the year 1922-23 more than a year's death duty was collected.

Portion of the decrease in adhesive stamps is accounted for by crediting Court fees and other fees collected by means of stamps to the respective Departments, under the heading of "departmental receipts." These have hitherto been included in stamp revenue.

The estimated revenue for the current year is £3,364,000.

WORKING RAILWAYS.

The gross receipts from Working Railways amounted to £6,727,802—an increase of £84,211 on the previous year's figures. The working-expenses amounted to £5,502,497. The net revenue is therefore £1,225,305, representing a return of £3 0s. 10d. per cent. on the capital cost. The actual revenue received was £27,802 in excess of the estimate. The improved financial position is the outcome of economies effected during the year.

Although there has been a slight improvement in the revenue during the year the Department is still confronted with many difficulties, and the need for exercising rigid economy still remains. The disastrous floods which have recently occurred in Otago and Canterbury will unquestionably have a far-reaching effect on the traffic on the South Island lines for some time to come. The combination of these circumstances make it necessary to be conservative in the matter of estimating the revenue for the ensuing year, which, for that reason, I place the figure at £7,000,000.

On the expenditure side provision has to be made for working the Otira-Arthur's Pass electric section, and on that portion of the North Auckland line which it is hoped to hand over to the Working Railways during the ensuing year. I anticipate that the expenditure will amount to £6,050,000.

POST AND TELEGRAPH DEPARTMENT.

The net amount of revenue collected by the Department during the year was £2,705,030. The principal items were—Postages, £1,289,496; telegrams, £699,444; and telephone-exchange receipts, £595,967. The expenditure totalled £2,112,543. The cash receipts thus exceeded payments by £592,487. This is the largest surplus in the history of the Department, despite the fact that the period covers two months of the financial year during which reduced rates were in operation.

Deposits in the Post Office Savings-bank amounted to £26,682,427, and withdrawals to £27,769,263—an excess of withdrawals over deposits amounting to £1,086,836. The amount of interest added to depositors' accounts largely exceeds the excess of withdrawals. The amount at the credit of depositors at the 31st March, excluding interest for the year, was £42,754,868. The position is now improving, as, since the close of the year, the amount of deposits has exceeded the amount of withdrawals. There are 690,790 depositors, and the average for each depositor is £64 4s. 4d.

Other business of the Department included the issue of money-orders and postal notes to the total value of £5,020,890, and the payment on the same account of £4,699,767. War-loan certificates redeemed up to the 31st March amounted to £3,349,074.

Increased expenditure arising out of war conditions still continues; but, as a result of the successful efforts made to keep down expenditure, the amount asked for this year is £162,000 less than that voted the previous year, although it includes statutory increases in salaries due to the lower-paid officers, and an amount of £25,000 for overtime which previously was compensated for by the allowance of "time off."

At the end of the financial year the total number of employees was 8,574—7,542 permanent officers, 395 temporary employees, and 637 casual men. The number at the end of the previous year was 8,679—7,657 permanent officers, 429 temporary employees, and 593 casual men. A reduction of 105 in the total number employed was thus effected during the year.

PENNY POSTAGE.

On and after the 1st October, 1923, the penny-postage system will be re-established within the Dominion, to all parts of the British Empire. I estimate that the loss of revenue by so doing will be in the vicinity of £250,000. But, in view of the buoyancy of trade at the present time, the loss should be of a temporary nature only, for there will be a large increase in the volume of correspondence posted, which before very long will bring the revenue up to the original level. The loss in revenue during the unexpired portion of the present financial year will be about £125,000.

TELEPHONE RATES.

Honourable members are aware that the question of amending the telephone charges has been under discussion for some time. The whole matter has received the consideration of the Government, and it has been decided to bring the amended charges into operation on the same date as the reintroduction of penny postage—namely, the 1st October next. In order that honourable members and the public generally may be able to see at a glance the effect of the amended charges, I have included in the Budget tables a statement illustrative of the position. It will be observed that the rates decided upon mean a fairly substantial reduction on those at first proposed; and I am hopeful that, with a full year of the increased revenue, the Telephone Branch will be self-supporting. The profits of the Postal Branch, which in the past have been supporting the Telephone and Telegraph Branches, can now be handed back to the public as a concession by way of penny postage, to which I have already referred.

LAND-SETTLEMENT.

The demand for virgin lands has been restricted, only sections in favourably situated localities being taken up. The Government is continuing to offer all available lands for general application, in most cases with preference to discharged soldiers.

During the year a total area of 29,588 acres was set apart for selection by discharged soldiers, principally in the North Auckland and Hawke's Bay Districts. Proclamations setting apart 46,546 acres of Crown land and 3,812 acres of settlement land for discharged soldiers were revoked in order to open these lands for public selection, owing to the reduced demand by discharged soldiers. The total area set apart for selection by discharged soldiers to the 31st March, 1923, was 1,397,339 acres, a large proportion of which has since been made available for general application.

257,924 acres, subdivided into 416 holdings, and comprising mostly scattered Crown, settlement, and national-endowment sections, were offered for selection; whilst, excluding miscellaneous leases, some 380,000 acres of Crown, settlement, and national-endowment lands and reserves, subdivided into 963 sections, were taken up during the same period, the miscellaneous leases covering 101,000 acres in 463 holdings.

The area available for settlement is 508,403 acres, and 401,742 acres are under survey at the present time. Preparations are also being made for the surveys of a total additional area of 485,598 acres.

SWAMP DRAINAGE RECLAMATION.

Engineering surveys and investigations of various swamp areas in Westland have been completed for the information of settlers. These, though not extensive in area, are promising propositions.

Construction works have been undertaken on an area of Crown land at Harihari, Westland, and the proclamation of further districts under the Swamp Drainage Act are awaiting the consent of the owners of the various alienated areas.

Operations at the major works at Kaitaia, Hikurangi, Hauraki Plains, Rangitai Plains, and Waihi are being vigorously pushed on.

DISCHARGED SOLDIERS SETTLEMENT ACCOUNT.

The following statement shows the extent of the financial operations in regard to loans authorized and advances made under the Discharged Soldiers Settlement Act, 1915, and amendments, up to the end of the financial year:—

| | Authorized. £ | Advances made. £ |
|---|--------------------|---------------------|
| Section 6, Discharged Soldiers Settlement Act, 1915: Advances on current account:— | | |
| 4,732 returned soldiers | 4,237,159 | 4,168,236 |
| Section 2, Discharged Soldiers Settlement Amendment Act, 1917: Advances towards purchase of farms, market gardens, orchards, and discharge of mortgages:— | | |
| 5,489 returned soldiers | 8,860,082 | 8,843,192 |
| Section 2, Discharged Soldiers Settlement Amendment Act, 1917: Advances towards purchase and erection of dwellings and discharge of mortgages thereon:— | | |
| 11,363 returned soldiers | 8,180,980 | 7,959,275 |
| <hr/> | | |
| 21,584 returned soldiers | <u>£21,278,221</u> | <u>20,970,703</u> |
| | £ | |
| Repayments of principal | 2,173,113 | |
| Transfers to Realization and other accounts—Securities in course of realization | 173,436 | |
| Transfers to Property Account—Securities bought in by Department on default of mortgagors .. | 523,783 | |
| | | <hr/> |
| | | 2,870,332 |
| | | <hr/> |
| Balance on mortgage | | <u>£18,100,371</u> |

The gross receipts for the year amounted to £1,431,353. Of this sum £716,667 represents repayments of advances, while receipts in respect of interest and sundries total £714,686.

Although prices obtained for primary products improved considerably the proceeds were insufficient to enable all soldiers to fully overtake the arrears that had accumulated during the period of low prices.

In order to afford relief, postponements of instalments were granted where the circumstances appeared to warrant such. At the end of the year the amount outstanding on the Postponement Account was £67,165. Arrears in respect of interest and principal payments amounted to £541,125. A substantial reduction has been made in the arrears carried forward from previous years, due principally to the improved prices of butter, wool, lamb, &c. Further reductions might have

been made, but it was considered advisable to reinvest a large portion of the proceeds either in the direction of further improving soldiers' properties or acquiring more suitable stock. Out of the receipts from the sales of farm-produce, &c., approximately £275,000 was readvanced.

With a view to adjusting, if possible, the position of soldier settlers who suffered from the economic depression, Inquiry Boards have been set up for each land district. Their reports are now coming to hand, and as a result legislation will be submitted during the present session to give effect as far as possible to the recommendations made by the Boards.

The most critical period appears to have passed. The crisis, however, disclosed those men who would never, under any circumstances, have become successful, and their replacement by more suitable and more experienced men is taking place.

During the year loans amounting to £868,650 were authorized to 915 soldiers, of which £425,125 were granted to 532 soldiers for the erection of dwellings, the balance being principally in the direction of advances on current account to aid in improving and stocking lands that have been purchased privately, or in respect of vacant Crown and settlement lands that have been selected: these represent new transactions.

In addition to the sums authorized as above—namely, £21,278,221—the amount of £3,058,050 has been borrowed for the purchase of lands for the Discharged Soldiers Branch of the Land for Settlements Account, and rents, recoveries, &c., amounting to £44,379 were accounted for last year. There are also other lands acquired in the Land for Settlements Account which have been proclaimed for discharged-soldier purposes, of the value of £2,514,000, and from the Native Land Settlement Account, valued at £500,000. The capital therefore provided from all sources for discharged-soldier settlement totals approximately £26,148,000.

Up to the 31st March the large sum of £8,000,000 had been advanced out of this account to soldiers for housing purposes, but further applications for loans to purchase or erect dwellings for residential purposes must now be dealt with by the State Advances Office, which, in view of the liberal provision made for housing, should suffice to meet requirements.

Applications to finance purchases of farms or to discharge mortgages are now considered only from invalided men who were previously unable to take advantage of the scheme, but who have sufficiently recovered to take up small farms. New applications for loans on current account will be receivable from such applicants as have made their own financial arrangements to purchase land, or who take up Crown or settlement land or abandoned farms, but this cannot be continued indefinitely, and after a date to be subsequently fixed no further applications can be received. Additional advances on current account, for development of farms or to stock areas developed, may be granted up to the maximum as recommended by Land Boards, and the system of readvancing against credits from sales of stock, produce, &c., will be continued in terms of the regulations, but will cease when the occupiers are sufficiently well established to carry on without State aid.

REPATRIATION.

The benefits under the Repatriation Act ceased to apply to other than tubercular or other seriously disabled soldiers after the 31st December, 1922. Up to that date assistance had been rendered to 63,108 discharged soldiers at a total cost of £2,329,992. The following figures indicate the number assisted, the nature of the assistance given, and the cost:—

| Nature of Assistance. | | | | | | | | Number assisted. | Amount. |
|-----------------------------------|--|--|--|--|--|--|--|------------------|-----------|
| Loans— | | | | | | | | | £ |
| Business | | | | | | | | 6,366 | 1,160,536 |
| Furniture, tools, &c. | | | | | | | | 15,915 | 758,626 |
| Grants— | | | | | | | | | |
| Training, sustenance, &c. | | | | | | | | 7,538 | 397,619 |
| Transportation | | | | | | | | 3,498 | 7,634 |
| Unemployment sustenance | | | | | | | | 1,123 | 5,577 |
| Placed in employment | | | | | | | | 28,668 | |
| Totals | | | | | | | | 63,108 | 2,329,992 |

Recoveries have been good, the amount received up to the 31st March, 1923, being £1,260,545, or 65 per cent. of the total advanced. At that date 5,661 loans had been entirely repaid.

To the end of the financial year 1922-23 losses had been made in 240 cases, the average loss being £70.

AGRICULTURE.

The improvement in the prices obtained for agricultural products has been well maintained, and mutton, butter, and cheese prices show a decided increase up to the end of the financial year.

The total value of produce exported was £42,248,751, or 93 per cent. of the value of all exports, which totalled £45,548,700.

Mutton and lamb are in good demand on the Home market, but the prices offered for beef are still unsatisfactory.

There has been a substantial increase of 706,605 in the total number of sheep in the Dominion, from 22,222,259 to 22,928,864, the principal increase being in the North Island.

The output of dairy-produce has this season shown a greater increase than during any previous year. Sixty thousand tons of butter and 63,000 tons of cheese were exported, a record which establishes this Dominion as the greatest exporter of butterfat in the world. Despite the unstable markets, prices were fortunately higher at the time when our heaviest shipments were arriving than in the same period of the preceding year. Indications point to an extension of the industry during the present year if prices remain profitable, especially in some districts not hitherto associated with dairying. The values of dairy-products exported are—Butter, £10,324,569; cheese, £5,484,417; dried milk, £264,085; condensed milk, £27,555; sugar of milk, £10,639: totalling £16,111,265.

The total fruit area in commercial orchards throughout the Dominion is approximately 30,000 acres. Some 108,314 cases have been exported this season under a Government guarantee of 11s. per case, which covers expenses, and arrangements have been made for the shipment of a further 25,000 cases before the export season closes. The following figures show the quantities of fruit exported during the last three years:—

| Export Season. | | | | | Number of Cases. |
|----------------|----|----|----|----|------------------|
| 1920 | .. | .. | .. | .. | 34,585 |
| 1921 | .. | .. | .. | .. | 52,024 |
| 1922 | .. | .. | .. | .. | 120,493 |

The beekeeping industry is steadily extending. The honey-export figures for the last three years are as follows:—

| | | | | Cwt. | Value. |
|------|----|----|----|--------|--------|
| | | | | | £ |
| 1921 | .. | .. | .. | 7,633 | 30,962 |
| 1922 | .. | .. | .. | 8,542 | 31,943 |
| 1923 | .. | .. | .. | 10,605 | 43,032 |

The estimated area sown in wheat in 1922-23 is 285,000 acres, and in oats 385,000 acres, a decrease in both cases when compared with the previous year. The estimated yield per acre of wheat is 30.48 bushels, and of oats 39.50.

The net expenditure under the Department was £208,197, being £66,979 less than in 1921-22.

NAURU AND OCEAN ISLAND PHOSPHATE.

An important increase in the demand for phosphate fertilizers has taken place, the importations of Nauru and Ocean Islands phosphate rock for 1922-23 totalling 51,430 tons, an increase of 16,337 tons over 1921-22. The more extensive use of phosphates will, of course, mean a resultant increase in production.

A large plant for the crushing of phosphate rock and the manufacture of phosphate manures was recently completed in the South Island, making five large works in operation, three being located in Auckland, one near Christchurch, and one close to Dunedin.

IMMIGRATION.

During the past year assisted immigration, under the nominated policy, has progressed satisfactorily. A total of 6,737 migrants have arrived at a cost to the Dominion of £12 per head. Special facilities have been offered to farmers, farm labourers, and all skilled artisans required for secondary industries. Under the authority of the Empire Settlement Act, 1922, the Imperial Government may co-operate with the Government of any of His Majesty's Dominions in—(1) Development or land-settlement scheme, or (2) assistance with passages, initial allowances, special training or otherwise. Although it has been deemed advisable that applications for land from our own soldiers and settlers should be dealt with first, a satisfactory agreement has been made with the British Government under which passage rates for intending emigrants have been reduced from £26 per adult to £18 per adult, and all children under the age of twelve years free. This agreement more than favourably compares with Great Britain's agreements with other parts of the Empire, and it is anticipated that upon its renewal at the 1st July, 1923, further substantial reductions will be made to—(1) Married men with families, and (2) children and juveniles under the age of nineteen years. This should be the means of attracting increased numbers of immigrants to our shores, and of making our total per annum not less than ten thousand.

The two main objects of the Government in the scheme which has been adopted are—(1) That only the very best type of immigrant shall be assisted to the Dominion, and (2) that on arrival they are assured of work and accommodation.

DEFENCE.

The expenditure out of the Consolidated Fund for defence, including ordnance services and the maintenance and training of the Territorial Forces, during the financial year ending 31st March, 1923, amounted to £285,113, or £43,517 less than the amount appropriated. This result has been obtained by the exercise of the strictest economy and by dispensing with the training-camps for the year.

WAR EXPENDITURE.

The gross expenditure from the vote "War expenses" for the past year was £642,968. This included £179,434 for the medical treatment of returned soldiers for war disabilities; £41,711 for transport adjustments; £35,387 for war graves in New Zealand and abroad, and battlefield memorials in France; £7,392, war gratuities; £20,000, refund to War Office for flour and bread subsidy paid on behalf of New Zealand troops in the United Kingdom; £190,729 for repatriation assistance and expenses; and £168,315 for other miscellaneous war expenditure. After allowing for recoveries for sale of surplus stores, £49,204; sale of medical stores, £33,812; repayments of repatriation loans and expenses, £308,608; and other miscellaneous credits, £84,545, there remained a net expenditure of £166,799.

The estimated net expenditure for the current year is £534,863, in which provision is made to meet New Zealand's liability to the Imperial shipping liquidation for transport charges totalling approximately £500,000. The delay in settling this item is due principally to the huge amount of work handled by the Imperial Shipping Liquidation Department, which in the latter stages of the war controlled practically the whole of the Empire's shipping. Every effort is being made to expedite settlement, which it is anticipated will be effected during the current year.

Of the £3,000,000 earmarked for war-loan-redemption purposes, £1,046,740 has already been transferred and expended in the purchase and cancellation of securities, and this process continues. A balance of £1,750,000 at present forms part of £2,000,000 made available for State Advances, including housing purposes, and can be issued when required. When the relative transactions are completed the war debt will be reduced to that extent.

The time has almost arrived when the War Expenses Account can be closed. It is my intention that any unexpended balances, and capital repayments, should be devoted to the reduction of the war debt, and, if necessary, legislation will be introduced to give effect to this intention.

NAVAL DEFENCE.

The expenditure on naval defence for the financial year amounted to £293,244, made up as follows :—

Permanent charges—

Naval Defence Act, 1909—H.M.S. “ New Zealand ”—

| | £ | £ |
|----------------------------------|--------|--------|
| Interest | 77,081 | |
| Repayment of funded debt | 4,938 | |
| | | 82,019 |

Annual appropriation—

Vote, Naval Defence (“ Philomel ” and “ Chatham ”) 211,225

£293,244

The time has arrived when we should participate to a greater extent in the naval defence of the Empire and assume a share of the burden which it entails. I propose, therefore, to ask honourable members this year to increase the total appropriation for naval defence to £500,000. This amount will include the working-expenses provided for within the vote and a sum not exceeding £100,000 as a contribution towards the cost of establishing a naval base at Singapore. This base will be of more value to Australia and New Zealand than to any other British countries in the Pacific.

The “ Chatham ” will in the near future be exchanged for an up-to-date oil-burning light cruiser.

The Admiralty have emphasized the necessity for the provision of oil-fuel reserves in the dominion— independent of commercial stocks, which, moreover, are practically non-existent at the moment— before oil-burning cruisers are sent to the South Pacific. An item, therefore, has been placed on the estimates for the erection of a 5,000-ton oil-tank at Devonport, as Auckland has proved to be eminently suitable as a repairing and storing base for a small squadron.

Items appear in the estimates for effecting certain necessary improvements in the facilities afforded by the repair base at Auckland and of the establishments there. A further item of £5,000 has been inserted with a view to relieving the British Government of the subsidy which they have been paying continuously since 1909 under agreement with the Auckland Harbour Board for the payment of £150,000 over a period of thirty years, as under that agreement New Zealand now derives the greatest benefit in the docking and repair of naval vessels.

I may add that the Imperial Naval authorities prefer the system of local expenditure in operation in New Zealand to any direct contributions; and even with regard to the cash contribution towards the cost of a naval base at Singapore, may prefer that the difference between the current expenditure and the proposed total appropriation of £500,000 should be used for strengthening the defences of our ports.

EDUCATION.

The expenditure from Government sources on education services during the past financial year has been as follows :—

| Votes from Consolidated Fund— | £ |
|--|-------------------|
| Department of Education | 2,514,991 |
| Special Acts | 90,393 |
| Teachers’ Superannuation Fund | 68,000 |
| Primary-education reserves revenue | 103,293 |
| National-endowment revenue | 66,610 |
| Education loans for buildings, &c. | 351,378* |
| Public Buildings Fire Insurance Fund | 8,542 |
| | <u>£3,203,207</u> |

* Does not include cost of raising loans, £10,598.

The amounts expended from endowment revenue received by the governing bodies of University colleges and secondary schools, amounting to £83,000, should be added to this, making a total expenditure from public sources of £3,286,000, as compared with £3,526,000 in 1921-22. The saving is accounted for chiefly by the reductions in the cost-of-living increase and other economies.

The financial position has been such that the Government has been compelled to exercise the greatest care in all its expenditure, but no essential service connected with education has been unduly curtailed, and the various activities have been maintained. The pressing need for increased school accommodation has received the earnest consideration of the Government, and since 1918-19 the sum of £1,698,304 has been expended for this particular purpose. The expenditure is very largely in excess of the pre-war rate, as for the five years ended 31st March, 1915, the capital expenditure for school buildings, &c., amounted to £564,389. Where possible preference has been given to claims for primary schools. For many of these schools there has been an insistent demand for more liberal staffing and better building accommodation, and gradually effective steps are being taken to meet this demand. In schools where increased staffing has been shown to be necessary to avoid unduly large classes authority has been given for the appointment of additional assistants. In all cases where overcrowding has been acute the Government has provided grants for buildings, and is continuing its efforts to overcome the shortage of buildings. For the information of honourable members I have included in the attached tables a statement which sets out the enormous increase in the cost of education since 1911-12, and from which it may be seen that this important national service has not been neglected. I have arranged to provide an increased sum for school-building purposes in this year's finance by the transfer of £100,000 of the accumulated surpluses to the Education Loans Account.

DEPARTMENT OF HEALTH.

The amount appropriated last year for hospitals and charitable aid was £425,000, but owing to the fact that subsidies were claimed more promptly than usual the expenditure slightly exceeded the estimate. The amount required for the current year is £420,000, the actual maintenance requirements of Hospital Boards again showing a slight reduction. There is an increase, however, in the capital requirements, and, as maintenance charges are the ultimate result of the capital expenditure, Hospital Boards should use the greatest prudence in embarking upon any but absolutely essential capital expenditure. The net expenditure of the Department in 1922-23 was £4,414 less than voted, and an increase of about this amount is required for the current year, due principally to the fact that the war service institutions taken over are being used more for civilian treatment for which the full cost is not now recovered. Steps are being taken in the direction of handing over these institutions to Hospital Boards.

STATE ADVANCES OFFICE.

The substantial benefit derived from borrowing money at the low rate of $4\frac{1}{2}$ per cent. interest to build houses and acquire homes is of great advantage to those persons desirous of owning their own properties. The Amendment Act of last year, authorizing advances for the purpose of redeeming mortgages at a rate of interest not exceeding $5\frac{1}{2}$ per cent., is affording settlers much relief, and since October last advances totalling £884,090 have been authorized for this purpose.

The Amendment Act of last year also authorized loans on chattels at a rate of interest not exceeding $6\frac{1}{2}$ per cent. The applications for advances on this class of security have been fairly numerous, and a considerable number of loans has already been granted.

The new business for the year was as follows:—

| | Number. | Amount. £ |
|--|---------|--------------|
| Loans granted to settlers | 2,149 | 1,211,635 |
| Loans granted to workers | 1,754 | 878,150 |
| Loans granted to local authorities | 213 | 478,035 |
| Totals | 4,116 | £2,567,820 |

For the purpose of building houses and acquiring homes a large sum has been advanced during the last four years. The following is a table of the loans authorized from the 1st April, 1919, to the 31st March, 1923 :—

| | Number. | Amount. £ |
|--|---------|-------------------|
| For housing purposes | | |
| To settlers | 4,382 | 2,256,133 |
| To workers (including Housing Branch) .. | 5,861 | 3,000,939 |
| To release mortgages on home properties— | | |
| To settlers | 929 | 380,223 |
| To erect workers' dwellings— | | |
| To local authorities | 100 | 471,735 |
| Total | | <u>£6,109,030</u> |

In addition to the above it should be noted that £8,000,000 has been advanced to soldiers for housing purposes out of the Discharged Soldiers Settlement Account.

The Advances Office has aided many borrowers and granted to them numerous concessions, which have enabled numbers of settlers to retain possession of their holdings during the difficulties of the last few years. The gradual return to normal conditions, with the advent of improved prices for our primary products, is slowly but surely helping mortgagors to overtake their liabilities and regain their former positions.

I propose to further extend the operations of the State Advances Office, and to grant larger loans than the law at present allows. The terms and conditions under which advances are made will also be rendered easier for the borrower. The maximum advance that may be granted to a settler is to be increased from three-fifths to 75 per cent. of the value of the security, and the maximum advance that may be obtained by a worker is to be increased from three-fourths to 95 per cent. of the value of the security in the case of buildings already erected and up to 95 per cent. of the cost of the land, dwelling, and improvements where buildings are to be erected.

Loans will be granted for terms not exceeding twenty, thirty, or thirty-six and a half years, at the discretion of the Board.

PENSIONS.

The following payments were made during the year ended 31st March, 1923 :—

| | £ |
|--|-------------------|
| War pensions | 1,489,392 |
| Old-age pensions | 755,213 |
| Widows' pensions | 188,004 |
| Epidemic pensions | 52,371 |
| Maori War pensions | 34,110 |
| Miners' pensions | 33,491 |
| Pensions under Civil Service Act, 1908 .. | 26,937 |
| Military Pensions under Defence Act, 1909 .. | 3,058 |
| Pensions under Judicature Act, 1908 .. | 2,444 |
| Police pensions | 474 |
| Sundry pensions and annuities | 4,344 |
| | <u>£2,589,838</u> |

From this total is deducted £52,329, representing £28,547 from national endowments on account of old-age pensions, £2,611 from gold duty in respect of miners' pensions, and £21,171 from sundry refunds of all classes of pensions, leaving a net charge against the Consolidated Fund of £2,537,509.

WAR PENSIONS.

The grand total of actual payments made in respect of war pensions to the 31st March, 1923, is £8,824,436.

The annual liability of each class of war pension in force at the end of the year is shown in the following table:—

| Class of Pension. | Number. | Annual Value. £ | Average. £ |
|--|---------------|--------------------|---------------|
| Soldiers (permanent) | 5,686 | 279,760 | 49 |
| Soldiers (temporary) | 11,892 | 586,923 | 49 |
| Dependants (temporary) | 908 | 69,308 | 76 |
| Widows of soldiers | 1,969 | 210,569 | 107 |
| Other dependants of deceased soldiers .. | 6,005 | 203,297 | 34 |
| | <u>26,460</u> | <u>£1,349,857</u> | <u>£51</u> |

From the 1st July, 1922, the administration of the medical treatment of discharged soldiers was transferred from the Defence to the Pensions Department, and this change has brought about better co-ordination in the pensioning and medical treatment of war pensioners.

The report of the War Pensions Commission has received careful consideration during the recess, and legislation will be introduced giving effect to the opinion of the Government. This legislation undoubtedly will make conditions easier and better for totally or partially incapacitated returned soldiers.

GOVERNMENT INSURANCE DEPARTMENT.

The Life Branch of this Department had a successful year. The new business, amounting to £1,286,609, was well above the standard of pre-war years, and the number of policies in force on the 31st December, 1922, being 59,487, represents a total insurance with bonus additions of £17,449,101.

The premium and interest income both show satisfactory increases, whilst the ratio of expenses has been reduced from 21.4 per cent. to 18.3 per cent. as measured against the premium income, and from 13.4 per cent. to 11.4 per cent. as measured against the total income. The total income was £778,915.

The funds increased by £196,468 to £5,922,825, an increase which is the largest in the history of the Department. An actuarial valuation of the policies on the books at the end of the year disclosed excellent results.

The operations of the Accident Branch have also been successful. Not only does the premium income for the year, £33,348, compare very favourably with that of previous years, but the interest income, £6,109, after deducting taxes, is the highest yet reached. The statutory Reserve Fund amounts to £115,020 and the Accidents Funds to £21,069, the two together amounting to £136,089. The total assets amount to £169,215.

NATIONAL PROVIDENT FUND.

The membership of the fund at the 31st December was 22,200, the contribution income £132,000, and the accumulated fund £790,000. The sum of £12,000 was paid in allowances to annuitants and to widows and children. An amount of £39,000 was claimed through the fund by way of maternity allowances—£7,000 to contributors and £32,000 to members of approved friendly societies.

STATE FIRE INSURANCE DEPARTMENT.

The State Fire Office had another successful year, although heavier losses were sustained than in 1921. The net profit, after providing £20,369 for payment of income-tax, amounts to £46,402, as compared with £39,324 for 1921.

The office continues to attract its full share of new business, and a satisfactory increase in premium income was secured. It has also been possible to substantially

reduce the ratio of working-expenses during the year, the ratio to premium income being 28·86 per cent. for 1922, as compared with 31·07 per cent. for 1921.

PUBLIC SERVICE SUPERANNUATION FUND.

The total number of contributors to the fund on the 31st March last was 14,992, and the total revenue £573,903, including members' contributions £279,486, interest £121,320, and Government subsidy £172,000. The amount expended during the period was £346,454, which comprised retiring and other allowances £254,676, refund of contributions £83,426, and cost of administration £6,945. The total number of allowances existing at the end of March was 2,258, representing an aggregate annual payment of £224,914. The amount invested on the 31st March last was £1,799,041. The above figures relate to the period of fifteen months ended 31st March, 1923, the financial year of the fund having been changed by statute. Thus the amount shown as Government subsidy represents two annual payments each of £86,000.

GOVERNMENT RAILWAYS SUPERANNUATION FUND.

This fund amounted on the 31st March, 1923, to £584,219, an increase of £40,688 for the year. The revenue received during the year amounted to £230,689, made up of contributions £126,967, interest £26,175, and Government subsidy £75,000. The expenditure from the fund amounted to £178,470, including retiring-allowances amounting to £143,331.

TEACHERS' SUPERANNUATION FUND.

Under section 54 of the Finance Act of last year the financial year, previously closing on the 31st December, was extended to the 31st January. The following figures are therefore for a period of thirteen months—from the 1st January, 1922, to the 31st January, 1923.

This fund amounted on the 31st January, 1923, to £779,636, an increase of £97,859 for the thirteen months. The amount invested was £736,348. The revenue for the period was £216,934, including contributions £100,192, interest £45,042, and Government subsidy £71,583 (thirteen months at £43,000 per annum, as provided under the Act, together with the additional £25,000 voted last year.) The expenditure was £119,075, including retiring-allowances £100,131, and refund of contributions £16,357.

NATIVE.

The earnings of the Native Land Court and Maori Land Boards were £13,914, as against £13,002 in the previous year. 51,523 acres of Native land, at a cost of £160,099, have been purchased from the Native owners on behalf of the Crown, the gross area acquired since 1910 being 1,298,723 acres, at a total cost of £3,012,191. Included in the land so acquired are areas purchased for the European tenants. Among these purchases is included the Native owners' interests in the Taumarunui Native Township, for the purpose of giving the tenants the freehold. Good progress was made with regard to this township, a sum of £69,785 having been disbursed to the Natives, while the purchase of the interests of the Native owners in the Te Kuiti Native Township is also in hand.

PUBLIC TRUST OFFICE.

On the 31st March, 1923, the value of estates and funds under the control of the Public Trustee amounted to £28,904,798, an increase of £3,407,019 for the year.

Exclusive of office premises and plant, the investments held on the 31st March, 1923, on behalf of the Common Fund and on behalf of estates and funds

the moneys of which are specially invested, amounted to £16,426,324, made up as follows :—

| | £ |
|---|-------------|
| Mortgages | 10,527,505 |
| Local bodies' debentures | 4,511,416 |
| Government securities | 952,589 |
| Land Settlement Finance Act debentures | 50,192 |
| Fixed deposits with banks | 4,014 |
| Private debentures and shares in companies | 2,979 |
| Overdrafts by way of advances to estates and to beneficiaries | 307,077 |
| Properties acquired by foreclosure | 70,552 |
| | <hr/> |
| | £16,426,324 |
| | <hr/> <hr/> |

Of this total the sum of £2,441,404 represents advances made during the year, as follows :—

| | £ |
|----------------------------------|-------------|
| Mortgages | 1,275,659 |
| Government securities | 209,868 |
| Local bodies' debentures | 955,877 |
| | <hr/> |
| | £2,441,404 |
| | <hr/> <hr/> |

In addition, investments valued at £1,799,041 were held by the Public Trustee on behalf of the Public Service Superannuation Fund, making the total investments £18,225,365.

The position of mortgagors improved very much during the year, and a considerable reduction was made in the amount of outstanding interest.

In the previous year concessions by way of interest allowed on funds on deposit amounted to £57,500. In view of the improved results of the present year's working it is proposed to grant further concessions to estates and beneficiaries, firstly by reducing the commission charged for certain classes of estates, and secondly by waiving all special fees in connection with the administration of estates, so that the commission rates fixed will be the sole charge for administration.

WESTERN SAMOA.

The revenue of the territory has been well maintained, but is still insufficient to meet the expenditure which is considered necessary in the discharge of the mandate obligations, particularly in respect of education and medical services. An additional grant of £2,000 is provided to meet the deficit of 1921–22.

The trade results for the year have been satisfactory. The statistics which will be included in the third Mandate Report show that whereas in 1919 and 1920 the imports into Samoa exceeded the exports, the latter for the year 1922 exceeded the imports by over £82,000. The tonnage and value of copra, the principal product of the group exported last year, are also the highest on record for any one previous year.

The educational and medical services are being steadily extended. The value and completeness of our medical organization and equipment at Apia has been recognized by the London School of Tropical Medicine, which has offered to co-operate with the Administration in tropical medicine research by sending at its own charge one of its experts in tropical diseases, together with a laboratory assistant, to work with our medical staff. The Government has gratefully accepted this generous offer, from which great good not only to our own Native peoples but to the inhabitants of all tropical countries may be confidently expected.

The Samoan Observatory has completed another year of valuable scientific work. The results are now ready for publication. Arrangements have also been made for the Observatory to undertake the duty of receiving all daily weather

reports from Pacific stations (Suva, Tahiti, Tonga, Rarotonga, Pago Pago, Ocean Island, Norfolk Island, and Noumea) issuing storm-warnings, recording and checking meteorological statistics, and publishing the results. This service is entirely practical, and must be of incalculable benefit to shipping in the Pacific.

COOK AND NIUE ISLANDS.

The trade and revenue of the islands during the year have shown a gratifying improvement, and all indications for the future are most encouraging. The estimated expenditure from the consolidated revenue for the coming year will be £5,000 less than last year.

INSURANCE ON PUBLIC BUILDINGS.

On the 31st March the balance at credit of the Government Fire Insurance Fund, established in 1913 for the purpose of rebuilding or renovating public buildings destroyed or damaged by fire, was £46,825—an increase of £3,075 as compared with the balance at the end of the previous year. As usual, the principal amount paid over is in respect of school buildings, amounting to £8,542, whilst only £715 was paid over for other buildings, the total claims on the fund last year being £9,257. The annual contribution of £10,000 was paid over by the Treasury, and interest amounting to £2,332 was credited to the fund by the Public Trustee.

STORES CONTROL BOARD.

The Stores Control Board, under the chairmanship of the Minister of Public Works, was constituted on the 5th May, 1922. The object of the Board is to improve the methods of purchasing the large quantities of stores required by Government Departments, and for this purpose it is vested with the purchase, control, and disposal of all Government stores.

In the past each Department arranged its own purchases, with the natural result that when stores of the same class were required Departments came into competition with each other, thus hardening the market and tending to raise prices. Under the present system Supplies and Tenders Committees, consisting of trained buying officers, have been established in the principal centres to arrange for the purchase of stores. These committees meet weekly to consider requisitions for stores. Tenders or quotations are then called for the combined requirements of all Departments, thus securing the benefits of bulk buying and eliminating interdepartmental competition. Considerable economies have been effected, and many thousands of pounds saved to taxpayers. These results have been achieved practically without addition to staffs.

The standardization of stores commonly used by all Departments is being undertaken. The preliminary inquiries make it certain that large savings can be effected by standardizing materials and equipments. Some general contracts available to all Departments have also been arranged. This policy will be gradually extended, but the present unstable markets are not favourable to its rapid development.

DEPARTMENTAL BALANCE-SHEETS.

Departmental balance-sheets for the past year in commercial form will be submitted to honourable members during the session. These balance-sheets are proving valuable aids in the direction of economy, and their preparation has undoubtedly brought about closer control and improved administration.

FREE-OF-INCOME-TAX SECURITIES.

Conversions during the year totalled £2,261,820, whilst applications totalling approximately £700,000 are under action. The original securities had a currency running to 1941, but the Government has the right to redeem the converted stock on or after the 1st September, 1927.

In addition to these conversions, redemptions and renewals of maturing loans amounting to £1,682,515 have been made, whilst purchases of stock and cancellation in terms of section 24 of the Finance Act, 1922, totalling £839,440 (including

stock tendered for tax-payments, £84,700), and death duties stock redeemed, £107,670—a total gross reduction in free-of-income-tax securities of £4,891,445 for the year.

Purchases of stock at market rates have been made at prices that more than set off the interest charges on the money used for the purpose, so that converted stock means an increase in the assessment of taxable interest.

The total value of these securities issued—viz., £51,733,405—has therefore been reduced considerably, the balance outstanding at the 31st March, 1923, amounting to approximately £44,000,000, and it is hoped to effect a further reduction.

NEW ZEALAND INSCRIBED STOCK DOMICILED IN LONDON.

I have completed negotiations for a reduction in the charges made by the Bank of England for the management of New Zealand inscribed stock registered in the books of the bank in London. This matter has been under consideration since 1913–14, but owing to the outbreak of war the proceedings were necessarily deferred. The bank has reduced its charges from £350 per million of stock inscribed to £300 per million, with effect from 1913, and has refunded £30,676; but against this there is a claim for no less than £14,383 by way of Imperial income-tax which I am endeavouring to have remitted. The bank's charges for issuing new loans have also been reduced from 5s. per cent. to 2s. 6d. per cent.

The charge of £300 per million in London compares unfavourably with the cost in the New Zealand Treasury of managing stock inscribed in New Zealand, which is about £140 per million. The charges of some of the private banks in London are as low as £150 per million. I am going into the question, however, and hope to make such arrangements as will effect a further reduction.

1923 LOAN.

In order to maintain capital expenditure at the necessary standard a loan of £3,000,000 for public works was raised in London. In addition £1,000,000 has been borrowed for redemption in part of loans maturing in London, making a total issue of £4,000,000.

This loan was floated in May and issued at £92, rate 4 per cent., and was well received, being oversubscribed, the lists closing three days before the time specified. The loan runs to 1943 with the option for redemption ten years earlier, and the flat rate is therefore £4 6s. 11d. per cent., or if not redeemed until 1943 the cost is £4 12s. 7d. per cent. As illustrating the excellent terms to the Dominion on this issue the following comparison of recent loans is given :—

| Date. | Borrower. | Amount of Loan. | Rate per Cent. | Date maturing. | Issued at | Return per Cent. |
|----------|------------------------|-----------------|----------------|----------------|-----------|------------------|
| | | £ | | | £ s. d. | £ s. d. |
| Jan. 23 | New South Wales .. | 4,000,000 | 5 | 1932-42 | 98 10 0 | 5 2 6 |
| Feb. 6 | South Australia .. | 2,000,000 | 5 | 1932-42 | 99 0 0 | 5 1 8 |
| Feb. 23 | Victoria .. | 5,000,000 | 5 | 1932-42 | 99 10 0 | 5 0 10 |
| Mar. 24 | British Government .. | 15,000,000 | 4 | 1931-33 | 94 10 0 | 4 14 3 |
| April 20 | New South Wales .. | 6,000,000 | 4½ | 1935-45 | 94 0 0 | 4 19 3 |
| May 7 | New Zealand Government | 4,000,000 | 4 | 1933-43 | 92 0 0 | 4 12 7 |
| May 11 | Indian Government .. | 20,000,000 | 4½ | 1950-55 | 90 0 0 | 5 2 11 |

I had the option of accepting the rate of £98 at 4½ per cent., but in view of the desirability of establishing a 4-per-cent. basis decided to adopt that rate, which works out slightly to our advantage in interest charges. The judgment exercised in deciding the date of issue on the advice tendered to me is well justified by the results, as within a few days the market hardened, an Indian loan at 4½ per cent. bringing only £90. The success of the issue was most favourably commented upon by London financial critics, who expressed their appreciation of the sound position of our finance. The terms of the loan are considered to have initiated an improvement for colonial loans in general, and to further exemplify the fact that the credit of New Zealand stands high in the financial world.

FUNDED DEBT.

The funding of our debt to the British Government has now been completed under a memorandum of agreement dated 6th September, 1922.

The Acts under which the funded loans were originally issued, together with the amounts, are as under :—

| | |
|---|-------------|
| Public Revenues Amendment Act, 1914 (section 8)— | £ |
| War expenses | 2,067,411 |
| Public Revenues Amendment Act, 1915 (section 5)— | |
| War expenses | 8,105,992 |
| Finance Act, 1916 (section 35), (War expenses) .. | 4,736,842 |
| War Purposes Loan Act, 1917 | 4,830,000 |
| Finance Act, 1918 (section 10), (War expenses) .. | 6,600,000 |
| Naval Defence Act, 1909 | 963,131 |
| Aid to Public Works and Land Settlement Act, 1910 | 191,010 |
| Land for Settlements Act, 1908 | 37,778 |
| | £27,532,164 |

The funding was carried out on an annuity basis of 6 per cent., the total payment each year being £1,651,930. Interest is at the rate of £4 19s. 5·88d. per cent., the balance of the 6 per cent. going to reduction of the debt.

The first half-yearly payment of £825,965 was made to the British Government on the 1st December, 1922, calculated as follows :—

| | |
|---|----------|
| | £ |
| Half-year's interest at £4 19s. 5·88d. per cent. .. | 684,794 |
| Balance—repayment of principal | 141,171 |
| | £825,965 |

Under the agreement the amount of £27,532,164 will be automatically discharged from the public debt in about thirty-six years. The amount payable for amortization in 1923–24 is £292,964, and will gradually increase per annum as the interest-payment reduces on the lessening debt. An important condition of the agreement with the British Government is that the whole or any part of the funded debt may be redeemed at any time.

PUBLIC DEBT.

The gross public debt as at the 31st March, 1923, was £218,953,324, compared with £219,054,385 at the 31st March, 1922. Therefore I am in the pleasing position of being able to announce that on the transactions for the year the debt has been decreased by £101,061. This decrease is due to the fact that while the amount raised for public works, electric supply, land-settlement, and other purposes totalled £8,365,140, loans aggregating £8,466,201 were redeemed, £5,225,386 being provided by cash and the balance by the issue of fresh debentures.

The amount of £8,365,140 was raised for the following purposes :—

| | |
|---|-----------|
| Public Works Fund— | £ |
| General Purposes Account | 2,902,420 |
| Waihou and Ohinemuri Rivers Improvement | |
| Account | 60,000 |
| Electric Supply Account | 514,470 |
| Education Loans Account | 595,920 |
| Discharged Soldiers Settlement Account | 304,435 |
| Native Land Settlement Account | 255,235 |
| State Forests Account | 214,188 |
| Land for Settlements—Discharged Soldiers Settlement | |
| Account | 164,000 |
| Hauraki Plains Settlement Account | 88,000 |
| Rangitaiki Land Drainage Account | 60,900 |
| Swamp Land Drainage Account | 45,000 |

In connection with the £27,532,164 owing to the British Government now permanently provided for on an annuity basis, it is of interest to note that this provision, together with the sinking funds of £4,160,066 held by the Public Trustee, has had the effect of bringing the war debt for which future provision requires to be made down to approximately £49,000,000.

Advantage was taken of the low rate of interest ruling in London to issue temporary securities for £1,000,000 at 3 per cent. with a currency of about nine months, the proceeds being used to redeem 4½-per-cent. securities outstanding. I have already arranged for renewals totalling £500,000 at a lower rate—namely, £2 2s. 6d. These transactions represent a saving of approximately £20,000 in interest charges for the year. This, together with the reduction in the charges for management of stock and loan issues in London, and the handsome profits derived from investments in British securities, indicates the success which has attended the direction and control of our London finance.

On the 1st January, 1923, loans amounting to £500,000 matured in Australia, and were met by the issue and sale of redemption securities for that amount.

Honourable members will find attached a table which sets out the tangible assets of the State, totalling £195,000,000, made up of expenditure on railway-construction, public buildings, telegraphs, &c., £68,000,000; sinking funds, investments, advances, &c., £59,000,000; Crown lands, settlement lands, &c., value, £30,000,000; and State forests, &c., £38,043,000. It is safe to state that with stable finance and good management in detail most of them will, with the continued prosperity of the country, substantially increase in value and productive power.

PUBLIC DEBT REDUCTION.

I have previously referred to the public debt sinking funds and the desirability, in view of our increased indebtedness, of establishing a systematic process of debt-reduction, in place of the present method of accumulating sinking funds that are not available for redemption purposes when required. Honourable members will be asked to provide facilities for the purchase or redemption and cancellation of suitable securities before or at maturity out of a debt-repayment fund account. By this means I expect to effect not only a saving in interest and sinking-fund charges, but at the same time an annual reduction of debt.

There will be no interference with the sinking funds already accrued. These I propose should be capitalized, and the interest thereon, together with the annual contribution, applied directly to the reduction of the debt.

LOANS FALLING DUE.

Loans falling due during the seven years ending with the year 1930 are as follows:—

| Year ending 31st March. | London. | Australia. | New Zealand. | Total. |
|-------------------------|------------|------------|--------------|------------|
| | £ | £ | £ | £ |
| 1924 | 1,747,200 | 3,300 | 7,798,365 | 9,548,865 |
| 1925 | 338,100 | 12,200 | 11,272,797 | 11,623,097 |
| 1926 | .. | .. | 15,695,351 | 15,695,351 |
| 1927 | 1,000 | 943,200 | 4,012,980 | 4,957,180 |
| 1928 | 1,000,000 | 121,000 | 4,763,126 | 5,884,126 |
| 1929 | .. | .. | 3,940,050 | 3,940,050 |
| 1930 | 30,094,528 | .. | 2,048,570 | 32,143,098 |
| | 33,180,828 | 1,079,700 | 49,531,239 | 83,791,767 |

I have completed the necessary arrangements to meet our liabilities both in London and New Zealand for the current year, but honourable members will see from the table that there are heavy redemptions or renewals within the next two years.

RESERVE FUND IN LONDON.

In 1907 the sum of £800,000 was, under the authority of the Reserve Fund Securities Act, borrowed from the Post Office and remitted to London for the purchase of gilt-edged securities, to be held in reserve for the purpose of hypothecation should occasion arise.

The debentures issued in New Zealand, which had been renewed from time to time, were repurchased from the Post Office during the year, cancelled, and discharged from the public debt, the Loans Redemption Account having been provided with the necessary funds by the inclusion of £800,000 in the amount transferred from surplus revenue for reduction of debt.

The Reserve Fund now stands clear of all liability at £2,000,000 profitably invested, and is a most valuable aid to our London finance.

BANK OF NEW ZEALAND.

The following dividends were received from the Bank of New Zealand for the year 1922-23:—

| | £ |
|---------------------------------------|-------------|
| “ A ” Preference shares (£500,000) .. | 50,000 |
| “ B ” Preference shares (£625,000) .. | 62,500 |
| | <hr/> |
| | £112,500 |
| | <hr/> <hr/> |

In conformity with the powers conferred by section 12 of the Bank of New Zealand Act, 1920, the Bank has announced the intention of making a fresh issue of 1,125,000 shares available to shareholders, and the Government has the option of taking up 375,000 shares, or one-third of the new issue. This option will be exercised, thus bringing the Government holding up to 1,500,000 shares. This will be a very profitable investment.

For the ten years ended 31st March, 1923, the Bank had, exclusive of the £375,000 bonus shares issued in 1920, contributed £3,754,947 to the State by way of dividends and taxation, including bank-note composition.

THE STATE GUARANTEE.

Since the close of the war numerous requests have been made that the State should guarantee the financial activities of local bodies and other semi-public institutions, and thus assume liabilities for which it is not responsible, except perhaps beyond ensuring the proper allocation of the moneys to the purpose for which they were authorized to be raised.

The State guarantee in connection with the loans of local bodies has been very sparingly used, as I was advised by our Financial Agents in London that the issue of such guaranteed loans had a detrimental effect upon our credit, for the reason that they were regarded as forming part of the indebtedness of the Dominion.

COST OF LIVING.

The cost of living has shown little movement during the past twelve months, and appears to have steadied after the sharp fall in 1921. This factor was taken into consideration by the Government in deciding that the third deduction authorized to be made on the 1st January last by the Public Expenditure Adjustment Act should not be made, while at the same time the improved state of the finances lessened the urgent necessity for further reductions.

TARIFF ALTERATION.

It has already been announced that a resolution will be brought down abolishing the duty on tea in bulk from British Dominions, and reducing the duty on tea in packets, and on foreign tea by 3d. the pound all round; this will mean a remission of duty amounting to £112,590 per annum if the calculation is based on the figures for the year 1922.

In addition, it is also proposed to make a few adjustments or alterations to the tariff of 1921. One of these will deal with the recently established glass-bottle industry. The other few alterations will be of minor importance.

TAXATION.

It has always been recognized by me that the retention of the admittedly high taxation necessitated by the war is pressing on enterprise and retarding development, and is one of the factors in the increased cost of living. Financial pressure, however, has been such that I have not been able to afford relief to anything like the extent I believe to be necessary, although last year land- and income-tax concessions amounting to £929,100 were granted. With the improvement that has taken place I am pleased to announce that in conformity with the policy of the Government further substantial reductions will be made this year, including the remission of income-tax on land which was imposed for war purposes and in addition to the ordinary land-tax. After making allowance for the increased expenditure on account of pensions, subsidies, interest on public debt, as well as for the increases in salaries and wages due to the increased cost of living, it is intended to get back as soon as possible to the rates of taxation which were in operation prior to the war. Conditions have altered to such an extent that the whole system of taxation requires revision. I am considering legislation which is designed to ensure a more equitable distribution of the burden, but in view of the necessities of the situation I have thought it better to concentrate on reductions that will give immediate relief and at the same time afford recognition of the economic principle that each taxpayer should contribute according to his ability.* Considerable adjustment has, however, been taking place, and the taxation per head of the population, including Maoris, has fallen from £17 14s. 4d. in 1921 to £11 17s. 8d. at the 31st March, 1923.

FLOOD RELIEF.

Honourable members will be asked to ratify my action in providing financial assistance to those settlers who suffered loss in the recent floods, particularly in the South Island. The machinery of the State Advances Office and the Valuation Department is being employed, and on the receipt of satisfactory reports, which are furnished by applicants who require assistance, advances are being made on easy terms, and at the comparatively low rate of 5 per cent. interest, to enable settlers to carry on their farms.

PROGRESS OF THE DOMINION.

Notwithstanding that during the past decade the Dominion has been passing through crises of various kinds more severe and trying than any before experienced in its history, a general survey of the period 1912-13 to 1922-23 proves conclusively that most satisfactory progress has been made in all the normal activities of New Zealand. No better evidence that the country has been wisely and carefully guided through these trying times is wanted than that afforded by the figures set out in the table attached. It will be seen that during the period the population, including Natives, has increased by 213,709, or 19 per cent. The total trade, which per head of population is the highest in the world, increased by £37,514,849, or 83 per cent. Exports of frozen meat increased 37 per cent. in volume and 115 per cent. in value; wool by 71 per cent. in volume and 67 per cent. in value; butter by 196 per cent. in volume and 333 per cent. in value; cheese by 101 per cent. in volume and 179 per cent. in value. The total exports of the Dominion for the year ended 31st March, 1913, were £23,047,296, while for the year ended 31st March, 1923, they were no less than £45,548,700, an increase of £22,501,404, or 98 per cent. This is a splendid testimony to the productive power of New Zealand. The well-being of the people has been promoted by the greatly improved social services which have been provided through the increased subsidies for education, public health, and free pensions to which I have already referred. Greater facilities have also been provided through the Post and Telegraph Department: there are now 4,300 more miles of telegraph and telephone lines than in 1913, being an increase of 30 per cent. during the period, while the telegraph and telephone wire in use increased by no less than 189,601 miles, or 213 per cent. In 1913 there were 32,252 telephone subscribers, while in 1923 the number is 82,459, an increase of 50,207, or 156 per cent. Continued attention has been paid to the need for opening up the country and improving the means of communication in country districts. The annual Government expenditure on roads and bridges in 1913 was £337,585, while in 1923 it amounted to £643,156, an increase of £305,571, or 91 per cent.

It will also be seen that, whilst carefully managing the country's affairs, with due regard to the health and comfort of the people, the Government has not overlooked the necessity for developing the waste spaces of the Dominion. During the decade 164 miles of water-races have been constructed for irrigation purposes, representing an increase of 198 per cent. on that previously in existence. The area of land drained in connection with the swamp-drainage operations of the Government was increased from 30,010 to 172,358 acres, an increase of 142,348 acres, or 474 per cent.

ESTIMATE OF REVENUE, 1923-24.

I estimate the revenue under the main heads of each of the important Departments at,—

| | | | | | | £ |
|---|----|----|----|----|----|--------------------|
| Customs | .. | .. | .. | .. | .. | 7,000,000 |
| Beer duty | .. | .. | .. | .. | .. | 750,000 |
| Stamp and death duties | .. | .. | .. | .. | .. | 3,364,000 |
| Post and telegraph | .. | .. | .. | .. | .. | 2,488,000 |
| Land-tax | .. | .. | .. | .. | .. | 1,300,000 |
| Income-tax | .. | .. | .. | .. | .. | 3,500,000 |
| Railways | .. | .. | .. | .. | .. | 7,000,000 |
| Registration and other fees | .. | .. | .. | .. | .. | 167,000 |
| Marine | .. | .. | .. | .. | .. | 81,000 |
| Interest on public moneys | .. | .. | .. | .. | .. | 1,287,000 |
| Local Bodies' Loans Act, 1908, section 76.. | .. | .. | .. | .. | .. | 22,000 |
| Rent of buildings | .. | .. | .. | .. | .. | 20,000 |
| Tourist and Health Resorts | .. | .. | .. | .. | .. | 40,000 |
| Miscellaneous | .. | .. | .. | .. | .. | 27,000 |
| Territorial | .. | .. | .. | .. | .. | 201,000 |
| National endowment | .. | .. | .. | .. | .. | 128,000 |
| Departmental and other receipts.. | .. | .. | .. | .. | .. | 594,000 |
| Total | | | | | | <u>£27,969,000</u> |

ESTIMATED RESULT FOR THE YEAR.

| | | | | | | £ |
|---------------------------------------|----|----|----|----|----|-----------------|
| Revenue | .. | .. | .. | .. | .. | 27,969,000 |
| Expenditure | .. | .. | .. | .. | .. | 27,277,644 |
| Available for supplementary estimates | | | | | | <u>£691,356</u> |

For the convenience of honourable members I append a summary of the results of the year 1922-23, and the estimates and proposals for 1923-24.

RESULTS, 1922-23.

Consolidated Fund—

Ordinary Revenue Account—

| | | | | | | £ |
|--|----|----|----|----|----|--------------------|
| Revenue | .. | .. | .. | .. | .. | 27,579,443 |
| Expenditure | .. | .. | .. | .. | .. | 26,263,760 |
| Excess of revenue over expenditure | | | | | | £1,315,683 |
| Revenue in excess of estimate, £1,329,443. | | | | | | |
| Expenditure below that of previous year, £2,203,078. | | | | | | |
| Transferred to Loans Redemption Account, £3,159,960. | | | | | | |
| Balance forward at 31st March, 1923, £5,637,090. | | | | | | |
| Economies effected since 1921, £3,735,049. | | | | | | |
| Accumulated revenue surpluses reduced by transfers to— | | | | | | £ |
| Discharged Soldiers Settlement Account | .. | .. | .. | .. | .. | 13,500,000 |
| Soldiers Depreciation Fund Account | .. | .. | .. | .. | .. | 150,000 |
| Public Works Fund | .. | .. | .. | .. | .. | 500,000 |
| Reserve Fund, London | .. | .. | .. | .. | .. | 1,200,000 |
| Loans redemption | .. | .. | .. | .. | .. | 3,719,971 |
| Total | | | | | | <u>£19,069,971</u> |

Total amount of interest-bearing investments of surplus revenue, £17,260,000 ; earnings, £712,870.

Public-works expenditure, £3,912,886.

Accrued profit on investments in British War Loan 5-per-cent. Stock, £140,777.

Loans matured, redeemed, and renewed, £9,004,986.

No Treasury bills outstanding.

Gross Customs and excise revenue, £6,769,873.

Increase over estimate in Customs and excise revenue, £959,873.

Exports, £45,548,700.

Imports, £37,112,779.

Inland Revenue Department—

| | £ |
|--------------------------------|-------------|
| Land-tax | 1,541,502 |
| Income-tax | 3,831,932 |
| Stamp and death duties | 3,581,291 |
| | <hr/> |
| Total | £8,954,725 |
| | <hr/> <hr/> |

Land- and income-tax concessions, amounting to £929,100.

Working railways—

| | £ |
|--------------------------|-------------|
| Receipts | 6,727,802 |
| Working-expenses | 5,502,497 |
| | <hr/> |
| Net revenue | £1,225,305 |
| | <hr/> <hr/> |

Earned on capital cost, £3 0s. 10d. per cent.

Post and Telegraph—

| | £ |
|----------------------------|-------------|
| Receipts | 2,705,030 |
| Expenditure | 2,112,543 |
| | <hr/> |
| Excess of receipts | £592,487 |
| | <hr/> <hr/> |

Post Office Savings-bank—

Number of depositors, 690,790.

Amount at credit, £42,754,868.

Average each depositor, £64 4s. 4d.

War-loan certificates redeemed to 31st March, 1923, £3,349,074.

Land-settlement—

Total area offered for settlement to 31st March, 1923, 1,397,339 acres.

Total Native lands purchased, 1922–23, 51,523 acres.

Discharged Soldiers Settlement Account—

Advances authorized during year, £868,650.

Total advances authorized, £21,278,221.

Repayments, &c., £2,870,332.

Arrears of payments reduced.

Instalments postponed where circumstances warranted relief.

Gross receipts, 1922–23, £1,431,353.

Total capital provided for discharged soldiers settlement purposes, £26,148,000.

Repatriation—

Number assisted, 63,108.

Advanced, £2,329,992.

Repayments, £1,260,545, or 65 per cent.

Assistance continued to disabled soldiers.

Agriculture—

Total value of produce exported, £42,248,751, or 93 per cent. of total exports.

Record export of cheese, 63,000 tons, valued at £5,484,417.

Record export of butter, 60,000 tons, valued at £10,324,569.

Area sown in wheat, 285,000 acres.

Improved prices for agricultural products maintained.

Number of sheep in Dominion increased by 706,605, from 22,222,259 to 22,928,864.

Increased demand for Nauru phosphates.

Immigration—Satisfactory agreement with British Government; passage rates reduced from £26 to £18 per adult.

Defence expenditure New Zealand Military Forces, £285,113.

War expenses—Net expenditure during year, £166,799.

Naval Defence expenditure—£293,244.

Education expenditure, £3,203,207; increased school accommodation provided; expenditure on school buildings since 1918–19, £1,698,304.

£429,444 paid in subsidies to Hospital and Charitable Aid Boards.

State Advances—

Advanced during year, £2,567,820.

Advanced during four years to 31st March, 1923, £6,109,030.

Pensions paid during year, £2,589,838.

Annual liability for war pensions, £1,349,857.

Medical treatment of discharged soldiers undertaken by Pensions Department.

Government Life Insurance—

New business for year, £1,286,609.

Total insurance, £17,449,101.

Total income, 1922, £778,915.

Accumulated funds, £5,922,825, largest yearly increase in funds.

State Fire Insurance—

Increased profit; reduced expense ratio: Net profit, £46,402.

National Provident Fund—

Contributors, 22,200.

Maternity allowances paid, £39,000.

Funds, £790,000.

Public Service Superannuation Fund—

Revenue for year, £573,903.

Expended, £346,454.

Investments at 31st March, 1923, £1,799,041.

Railways Superannuation Fund—

Revenue for year, £230,689.

Expended, £178,470.

Investments, £584,219.

Teachers' Superannuation Fund—

Revenue (13 months), £216,934.

Expended (13 months), £119,075.

Investments, £779,636.

Public Trust Office investments increased to £16,426,324.

Western Samoa—Improved trade.

Improvement in system of purchase and control of stores.

Free-of-income-tax securities outstanding reduced by £4,891,445 during year.

Cost of management of New Zealand Inscribed Stock, London, reduced; refund of £30,676 obtained.

Bank of England charges for issuing new loans reduced from 5s. to 2s. 6d. per cent.

1923 loan of £4,000,000 successfully floated at 4 per cent. issued at 92; high credit of Dominion endorsed by London financial circles.

Funding of debt (£27,532,164) to British Government completed on 6 per cent. annuity basis.

| | |
|--|---------------------|
| Public debt: Gross debt at 31st March, 1923, £218,953,324— | £ |
| Ordinary | 116,067,273 |
| Soldiers | 9,759,216 |
| War | 80,563,885 |
| State Advances | 12,562,950 |
| Total | <u>£218,953,324</u> |

War debt reduced, £1,279,658.

Loans redeemed (including war debt) £ 8,466,201

Total loans during year £ 8,365,140

Net decrease in debt during year £101,061

Sinking funds accrued, £11,879,256.

Tangible assets of State, £195,000,000.

£1,000,000 obtained at 3 per cent. by the issue of temporary securities for redemption purposes, with a saving of interest for the year of £20,000.

Reserve Fund securities cleared of liability of £800,000.

Third deduction from the cost-of-living increases not made.

Taxation per head of population reduced from £17 14s. 4d. in 1921 to £11 17s. 8d. in 1923.

Ten years' progress of the Dominion—

Increase in—

Population, 19·23 per cent.

Total trade, 83 per cent.

Total exports, 98 per cent.

Frozen meat (volume), 37 per cent.

Frozen meat (value), 115 per cent.

Wool (volume), 71 per cent.

Wool (value), 67 per cent.

Butter (volume), 196 per cent.

Butter (value), 333 per cent.

Cheese, (volume), 101 per cent.

Cheese (value), 179 per cent.

New telegraph and telephone lines, 30 per cent.

Telephone subscribers, 156 per cent.

Roads and bridges expenditure, 91 per cent.

Swamp-land areas reclaimed, 474 per cent.

ESTIMATES AND PROPOSALS.

Consolidated Fund—

Ordinary Revenue Account—

| | £ |
|-------------------------------|------------|
| Estimated revenue | 27,969,000 |
| Estimated expenditure | 27,277,644 |

| | |
|---|----------|
| Available for supplementary estimates | £691,356 |
|---|----------|

Customs and excise estimated £7,750,000.

Land and income tax estimated £4,800,000.

Estimated increase in revenue from spirits and tobacco duties, £450,000.

Accumulated surpluses to be applied to capital purposes—

| | £ |
|---------------------------------------|-----------|
| Public works | 1,000,000 |
| Loan redemptions, London | 500,000 |
| School buildings (additional) | 100,000 |

| | |
|---------------|------------|
| Total | £1,600,000 |
|---------------|------------|

Public works and land-settlement to be actively developed to further production.

£4,000,000 to be provided for public works.

Provision for working Otira—Arthur's Pass electric and other new railways.

Post and Telegraph reforms and concessions—Penny postage to be introduced; revision of telephone-exchange rates.

Land-settlement policy to be pursued—401,742 acres under survey; 485,598 acres to be surveyed.

Discharged soldiers settlement—Legislation to be introduced giving effect to reports of Inquiry Boards; applications for advances to be received from invalided men; amended conditions for loans on current account, &c.; additional advances, &c., continued meantime.

Swamp drainage to be actively proceeded with.

Immigration—Suitable immigrants to be assisted and assured of work and accommodation.

£2,000,000 to be held for State advances.

Early closing of War Expenses Account—Unexpended balances and capital repayments to be devoted to reduction of war debt.

Naval Defence—Increased appropriation to be provided, including grant towards cost of Naval Base at Singapore.

State advances—

Liberal provision to be made for the purpose of building houses, acquiring homes, and affording relief to borrowers.

Advances increased from three-fifths to 75 per cent. of security for settlers.

Advances increased from three-fourths to 95 per cent. of security for workers.

War pensions—Increased provision to be made by legislation for totally or partially incapacitated soldiers as a result of Special Commission's report.

Native-land settlement—Purchase of Te Kuiti Township to be completed.

Additional concessions to Public Trust Office clients.

Western Samoa—

Continued provision for research in tropical diseases and co-operation with London School of Tropical Medicine.

Meteorological services to be extended.

Gradual reduction of free-of-income-tax securities.

Further reduction in London charges for stock management to be sought.

Public debt extinction legislation to be introduced providing for more effective method of reduction.

Estimated reduction in interest and sinking fund charges, £233,782.

Loans falling due (£9,548,865) to be provided for.

Payment of £1,651,930 (interest and principal) to British Government for funded debt.

Relief to be provided for flood sufferers.

Remission of Customs duties—Tea duty to be reduced.

Further reduction in land and income tax; income-tax on land to be remitted.

375,000 Bank of New Zealand £1 shares to be purchased at par.

Return to pre-war rates of taxation.

CONCLUSION.

I have not intended to suggest that the Government is entitled to take all the credit for the present prosperity of the Dominion, but at the same time I am justified in claiming that a great measure of the success achieved is the outcome of sound finance, combined with prudent and careful administration.

In 1918 the Government was faced with grave responsibilities. Expenditure, owing to causes which could not be controlled, was increasing at an alarming rate, and its immediate contraction was impracticable because of rising prices and the increased cost of living. It was indeed an onerous and difficult task to undertake the curtailment of expenditure at a time when the whole world had lost its sense of proportion, and had not recovered from the habits of extravagance which developed during a period of lavish expenditure necessitated by war.

My anticipations regarding possible economies and charges have been fully realized, and I feel confident that the improvement will continue during the present year, provided our finance rests on the solid basis of efficient and economical management.

There are many who, although desirous of economy, press for increased expenditure in certain directions, but I again point out that the rate of expenditure must be governed by the ability to provide the means.

Increased expenditure for social services must be coincident with the growth of the population. Large sums have been found for these purposes during recent years, and the staff of official experts has been increased. Their work is of great value to the State, although in some instances it embraces matters that were formerly individual responsibilities.

I have pride in directing attention to the remarkable progress made during the past ten years, and in the fact that the credit of New Zealand stands so high on the London market where recent loans have been so successfully floated.

The proposals I have outlined, both as regards capital and current expenditure, will, if given effect to, tend to promote the settlement of our fertile lands, stimulate production, and afford encouragement and assistance to an industrious people, while the proposed remission of taxation should afford relief to all classes of the community.

The year just ended was an exceptionally good one for the primary producers, and consequently for the country as a whole. Prices for most of our important products have been satisfactory. Production has been well maintained; the quantity and value of our exports have considerably increased, and the result has been a return to prosperity such as very few people expected for some time to come. Much has been done, but there is still much to do, and many difficulties to be overcome.

In last year's Financial Statement I reminded my fellow-citizens that there was no royal road to prosperity. There is only one way to get there, and that is by work: by each individual and each section of the community putting forth all the energy they possess, and using all the talents with which they have been endowed. Whether my advice reached many of them or not, the fact remains that during the last twelve months the country has been a hive of industry, and the results as shown by the greatly improved position of both public and private finance are exceedingly creditable to all concerned, and must be looked upon with much satisfaction by the whole population of the Dominion. There is a proverb which says that a house divided against itself cannot stand. I follow that up by saying a country divided against itself cannot prosper. We may have our differences of opinion, but where the country's interests are concerned its citizens should pull together, and aim at making it what nature intended it to be—one of the happiest and most prosperous countries of the British Empire.

TABLES TO ACCOMPANY THE FOREGOING STATEMENT.

| | Page. |
|--|--------|
| TABLE NO. 1.—SCHEDULES OF NEW TELEPHONE CHARGES FOR BUSINESS AND RESIDENTIAL CONNECTIONS AS COMPARED WITH EXISTING CHARGES AND ALTERATIONS ORIGINALLY PROPOSED.. | 2 |
| TABLE NO. 2.—REVENUE FOR THE YEAR ENDED 31ST MARCH, 1923, COMPARED WITH THE YEAR ENDED 31ST MARCH, 1922 | 4 |
| TABLE NO. 3.—STATEMENT OF THE ACTUAL EXPENDITURE OF THE CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 1923, COMPARED WITH THE YEAR ENDED 31ST MARCH, 1922 .. . | 5 |
| TABLE NO. 4.—COMPARATIVE STATEMENT OF THE APPROPRIATED AND ACTUAL EXPENDITURE OF THE CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 1923 | 6 |
| TABLE NO. 5.—NEW ZEALAND.—STATISTICAL COMPARISONS FOR A DECENNIAL PERIOD | 7 |
| TABLE NO. 6.—EDUCATION EXPENDITURE—TOTAL EXPENDITURE ON EDUCATION OUT OF PUBLIC FUNDS .. | 8 |
| TABLE NO. 7.—ABSTRACT OF RECEIPTS AND EXPENDITURE OF THE FINANCIAL YEAR ENDED 31ST MARCH, 1923. SEE PARLIAMENTARY PAPER B.-1 (PART I). | |
| TABLES NOS. 8 AND 8A.—STATEMENTS OF THE ESTIMATED LIABILITIES OF THE CONSOLIDATED FUND OUTSTANDING ON 31ST MARCH, 1913 TO 1923 INCLUSIVE | 9, 10 |
| TABLES NOS. 9 AND 9A.—STATEMENTS OF THE ESTIMATED LIABILITIES OF THE PUBLIC WORKS FUND AND OTHER ACCOUNTS OUTSTANDING ON 31ST MARCH, 1913 TO 1923 INCLUSIVE | 11, 13 |
| TABLE NO. 10.—STATEMENT SHOWING THE TOTAL WAYS AND MEANS OF THE PUBLIC WORKS FUND AND THE TOTAL NET EXPENDITURE TO 31ST MARCH, 1923 | 14 |
| TABLE NO. 11.—ESTIMATED EXPENDITURE FOR 1923-24, COMPARED WITH THE ACTUAL EXPENDITURE FOR 1922-23 | 15 |
| TABLE NO. 12.—ESTIMATED REVENUE FOR 1923-24, COMPARED WITH THE ACTUAL REVENUE FOR 1922-23 .. | 16 |
| TABLE NO. 13.—STATEMENT SHOWING THE AMOUNT CHARGED TO "UNAUTHORIZED" IN EACH FINANCIAL YEAR FROM 1ST JULY, 1875, TO 31ST MARCH, 1923 | 16 |
| TABLE NO. 14.—RETURN OF SUBDIVISIONS OF RURAL FREEHOLDS IN NEW ZEALAND FROM 1ST APRIL, 1912, TO 31ST MARCH, 1923 | 17 |
| TABLE NO. 15.—STATEMENT SHOWING THE FINANCIAL POSITION OF THE DOMINION ON THE 31ST MARCH, 1923, AS COMPARED WITH THE 31ST MARCH, 1922 | 17-21 |
| TABLE NO. 16.—STATEMENT OF ASSETS HELD, AND CAPITAL EXPENDITURE, AS AGAINST THE PUBLIC DEBT ON THE 31ST MARCH, 1923 | 22-23 |

Table No. 1.

SCHEDULES OF NEW TELEPHONE CHARGES FOR BUSINESS AND RESIDENTIAL CONNECTIONS AS COMPARED WITH EXISTING CHARGES AND ALTERATIONS ORIGINALLY PROPOSED.

No. 1 Class (Multi-office Exchanges of over 3,000 Subscribers). Auckland, Wellington, Christchurch, and Dunedin. Base rate area—approximately 28 square miles, or 3-mile radius.

| Distance from Central Exchange. | Business Connections. | | | Residential Connections. | | |
|---------------------------------|---------------------------|----------------|----------------|---------------------------|----------------|----------------|
| | Rate originally proposed. | New Rate. | Existing Rate. | Rate originally proposed. | New Rate. | Existing Rate. |
| $\frac{1}{2}$ mile | £ s. d. 18 0 0 | £ s. d. 15 0 0 | £ s. d. 9 10 0 | £ s. d. 9 0 0 | £ s. d. 8 10 0 | £ s. d. 6 0 0 |
| $\frac{3}{4}$ „ | 18 0 0 | 15 0 0 | 9 10 0 | 9 0 0 | 8 10 0 | 6 0 0 |
| 1 „ | 18 0 0 | 15 0 0 | 9 10 0 | 9 0 0 | 8 10 0 | 6 0 0 |
| $1\frac{1}{4}$ miles | 18 0 0 | 15 0 0 | 10 2 6 | 9 0 0 | 8 10 0 | 6 12 6 |
| $1\frac{1}{2}$ „ | 18 0 0 | 15 0 0 | 10 15 0 | 9 0 0 | 8 10 0 | 7 5 0 |
| $1\frac{3}{4}$ „ | 18 0 0 | 15 0 0 | 11 7 6 | 9 0 0 | 8 10 0 | 7 17 6 |
| 2 „ | 18 0 0 | 15 0 0 | 12 0 0 | 9 0 0 | 8 10 0 | 8 10 0 |
| $2\frac{1}{4}$ „ | 18 0 0 | 15 0 0 | 12 12 6 | 9 0 0 | 8 10 0 | 9 2 6 |
| $2\frac{1}{2}$ „ | 18 0 0 | 15 0 0 | 13 5 0 | 9 0 0 | 8 10 0 | 9 15 0 |
| $2\frac{3}{4}$ „ | 18 0 0 | 15 0 0 | 13 17 6 | 9 0 0 | 8 10 0 | 10 7 6 |
| 3 „ | 18 0 0 | 15 0 0 | 14 10 0 | 9 0 0 | 8 10 0 | 11 0 0 |

In addition to the above, provision is made for two-party business connections in same block for £10; two-party residential connections in same cable-box area for £7; and four-party residential connections in same cable-box area for £6.

No. 2 Class (Single-office Exchanges, 1,000 to 3,000 Subscribers). Examples: Wanganui, Hastings, Palmerston North, Hamilton, Gisborne, &c. Base rate area—approximately 20 square miles, or $2\frac{1}{2}$ -mile radius.

| Distance from Exchange. | Business Connections. | | | Residential Connections. | | |
|----------------------------|---------------------------|----------------|----------------------------------|---------------------------|----------------|----------------------------------|
| | Rate originally proposed. | New Rate. | Existing Rate (Flat-rate Table). | Rate originally proposed. | New Rate. | Existing Rate (Flat-rate Table). |
| $\frac{1}{2}$ mile | £ s. d. 13 0 0 | £ s. d. 11 0 0 | £ s. d. 7 0 0 | £ s. d. 8 0 0 | £ s. d. 7 10 0 | £ s. d. 7 0 0 |
| $\frac{3}{4}$ „ | 13 0 0 | 11 0 0 | 7 15 0 | 8 0 0 | 7 10 0 | 7 0 0 |
| 1 „ | 13 0 0 | 11 0 0 | 8 10 0 | 8 0 0 | 7 10 0 | 7 0 0 |
| $1\frac{1}{4}$ miles | 13 0 0 | 11 0 0 | 9 2 6 | 8 0 0 | 7 10 0 | 7 12 6 |
| $1\frac{1}{2}$ „ | 13 0 0 | 11 0 0 | 9 15 0 | 8 0 0 | 7 10 0 | 8 5 0 |
| $1\frac{3}{4}$ „ | 13 0 0 | 11 0 0 | 10 7 6 | 8 0 0 | 7 10 0 | 8 17 6 |
| 2 „ | 13 0 0 | 11 0 0 | 11 0 0 | 8 0 0 | 7 10 0 | 9 10 0 |
| $2\frac{1}{4}$ „ | 13 0 0 | 11 0 0 | 11 12 6 | 8 0 0 | 7 10 0 | 10 2 6 |
| $2\frac{1}{2}$ „ | 13 0 0 | 11 0 0 | 12 5 0 | 8 0 0 | 7 10 0 | 10 15 0 |

In addition to the above, provision is made for two-party business connections in same block for £8; two-party residential connections in same cable-box area for £6; and four-party residential connections in same cable-box area for £5.

Table No. 1.—*continued*

SCHEDULES OF NEW TELEPHONE CHARGES FOR BUSINESS AND RESIDENTIAL CONNECTIONS AS COMPARED WITH EXISTING CHARGES AND ALTERATIONS ORIGINALLY PROPOSED—*continued*.

No. 3 Class (Single-office Exchanges of under 1,000 Subscribers, with unrestricted Attendance).
Examples: Blenheim, Cambridge, Carterton, Greymouth, Hawera, Hunterville, Motueka, Oamaru, Piopio, Thames, Nelson, Waipawa, Waipukurau, &c. Base rate area—approximately 12 square miles, or 2-mile radius.

| Distance from Exchange. | Business Connections. | | | Residential Connections. | | |
|----------------------------|---------------------------|-------------------|----------------------------------|---------------------------|------------------|----------------------------------|
| | Rate originally proposed. | New Rate. | Existing Rate (Flat-rate Table). | Rate originally proposed. | New Rate. | Existing Rate (Flat-rate Table). |
| $\frac{1}{2}$ mile | £ s. d. 13 0 0 | £ s. d. 10 0 0 | £ s. d. 7 0 0 | £ s. d. 8 0 0 | £ s. d. 7 0 0 | £ s. d. 7 0 0 |
| $\frac{3}{4}$ „ | 13 0 0 | 10 0 0 | 7 15 0 | 8 0 0 | 7 0 0 | 7 0 0 |
| 1 „ | 13 0 0 | 10 0 0 | 8 10 0 | 8 0 0 | 7 0 0 | 7 0 0 |
| $1\frac{1}{4}$ miles | 13 0 0 | 10 0 0 | 9 2 6 | 8 0 0 | 7 0 0 | 7 12 6 |
| $1\frac{1}{2}$ „ | 13 0 0 | 10 0 0 | 9 15 0 | 8 0 0 | 7 0 0 | 8 5 0 |
| $1\frac{3}{4}$ „ | 13 0 0 | 10 0 0 | 10 7 6 | 8 0 0 | 7 0 0 | 8 17 6 |
| 2 „ | 13 0 0 | 10 0 0 | 11 0 0 | 8 0 0 | 7 0 0 | 9 10 0 |

In addition to the above, provision is made for two-party business connections in same block for £7; two-party residential connections in same cable-box area for £5 10s.; and four-party residential connections in same cable-box area for £4 10s.

No. 4 Class (Single-office Exchanges of under 1,000 Subscribers, with restricted Attendance). Base rate area—approximately 12 square miles, or 2-mile radius.

| Distance from Exchange. | Business Connections. | | | Residential Connections. | | |
|----------------------------|---------------------------|------------------|------------------|---------------------------|------------------|------------------|
| | Rate originally proposed. | New Rate. | Existing Rate. | Rate originally proposed. | New Rate. | Existing Rate. |
| $\frac{1}{2}$ mile | £ s. d. 9 0 0 | £ s. d. 8 0 0 | £ s. d. 6 0 0 | £ s. d. 6 0 0 | £ s. d. 6 0 0 | £ s. d. 6 0 0 |
| $\frac{3}{4}$ „ | 9 0 0 | 8 0 0 | 6 15 0 | 6 0 0 | 6 0 0 | 6 0 0 |
| 1 „ | 9 0 0 | 8 0 0 | 7 10 0 | 6 0 0 | 6 0 0 | 6 0 0 |
| $1\frac{1}{4}$ miles | 9 0 0 | 8 0 0 | 8 2 6 | 6 0 0 | 6 0 0 | 6 12 6 |
| $1\frac{1}{2}$ „ | 9 0 0 | 8 0 0 | 8 15 0 | 6 0 0 | 6 0 0 | 7 5 0 |
| $1\frac{3}{4}$ „ | 9 0 0 | 8 0 0 | 9 7 6 | 6 0 0 | 6 0 0 | 7 17 6 |
| 2 „ | 9 0 0 | 8 0 0 | 10 0 0 | 6 0 0 | 6 0 0 | 8 10 0 |

In addition to the above, provision is made for two-party business connections in same block for £6; two-party residential connections in same cable-box area for £4 10s.; and four-party residential connections in same cable-box area for £3 10s.

Table No. 2.

REVENUE FOR THE YEAR ENDED 31ST MARCH, 1923, COMPARED WITH THE YEAR ENDED 31ST MARCH, 1922.

| | Year ended 31st March, 1923. | Year ended 31st March, 1922. | Increase. | Decrease. |
|---|------------------------------------|------------------------------------|-----------|-----------|
| | £ | £ | £ | £ |
| Customs | 6,032,292 | 5,095,436 | 936,856 | .. |
| Beer duty | 612,128 | 458,898 | 153,230 | .. |
| Stamp and death duties | 3,581,291 | 3,444,504 | 136,787 | .. |
| Postal and telegraph | 2,705,030 | 2,748,481 | .. | 43,451 |
| Land-tax | 1,541,502 | 1,637,816 | .. | 96,314 |
| Income-tax | 3,831,932 | 6,002,987 | .. | 2,171,055 |
| Railways | 6,719,864 | 6,683,236 | 36,628 | .. |
| Registration and other fees | 179,033 | 146,548 | 32,485 | .. |
| Marine | 50,579 | 51,849 | .. | 1,270 |
| Miscellaneous - | £ | | | |
| Interest on public-moneys | 1,302,967 | | | |
| Local Bodies' Loans Act, 1908, sec.76 | 22,575 | | | |
| Rents of buildings | 20,346 | | | |
| Tourist and Health Resorts | 39,823 | | | |
| Miscellaneous | 93,134 | | | |
| | 1,478,845 | 1,410,478 | 68,367 | .. |
| Territorial | 192,186 | 200,697 | .. | 8,511 |
| National-endowment revenue | 95,156 | 102,481 | .. | 7,325 |
| Departmental and other receipts | 559,605* | 143,596 | 416,009 | .. |
| | | | 1,780,362 | 2,327,926 |
| | | | .. | 1,780,362 |
| Totals | 27,579,443 | 28,127,007 | .. | 547,564 |

£
 * 225,358 Printing Office receipts previously credited to Vote Printing and Stationery.
 168,722 Supreme and Magistrate Court fees
 3,810 Patent Office fees
 83,444 Land and Deeds registration fees
 9,000 Native Land Court fees
 69,271 Recoveries on account of expenditure of previous years.

£559,605

Table No. 3.

STATEMENT OF THE ACTUAL EXPENDITURE OF THE CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) FOR THE FINANCIAL YEAR ENDED THE 31ST MARCH, 1923, COMPARED WITH THE YEAR ENDED 31ST MARCH, 1922.

| | Year ended 31st March, 1923. | Year ended 31st March, 1922. | Increase. | Decrease. |
|--|------------------------------------|------------------------------------|-----------|-----------|
| Permanent appropriations— | £ | £ | £ | £ |
| Civil List | 28,833 | 29,884 | .. | 1,051 |
| Interest | 7,904,260 | 7,390,864 | 513,396 | .. |
| Sinking Fund | 854,526 | 1,051,414 | .. | 196,888 |
| Reduction of Funded Debt | 141,171 | .. | 141,171 | .. |
| Under special Acts— | | | | |
| Miscellaneous | 386,032 | 390,849 | .. | 4,817 |
| Butter subsidies | 13,161 | 240,270 | .. | 227,109 |
| Subsidies paid to local authorities | 206,733 | 200,924 | 5,809 | .. |
| Subsidies paid to Hospital Boards | 429,444 | 471,711 | .. | 42,267 |
| Territorial revenue | 16,518 | 16,968 | .. | 450 |
| Endowments | 99,229 | 107,949 | .. | 8,720 |
| Old-age pensions | 725,039 | 711,500 | 13,539 | .. |
| Widows' pensions | 187,872 | 186,197 | 1,675 | .. |
| Military pensions | 34,110 | 37,647 | .. | 3,537 |
| War pensions | 1,471,532 | 1,722,596 | .. | 251,064 |
| Miners' pensions | 30,876 | 28,855 | 2,021 | .. |
| Subsidies to Superannuation Boards | 154,000 | 154,000 | .. | .. |
| Transfer to Electric Supply Account | 250,000 | .. | 250,000 | .. |
| Advances to other Governments | 22,693 | 60,533 | .. | 37,840 |
| Westport Harbour Account | 17,885 | 72,000 | .. | 54,115 |
| | 12,973,914 | 12,874,161 | 927,611 | 827,858 |
| Annual appropriations— | | | | |
| Legislative Departments | 70,091 | 73,843 | .. | 3,752 |
| Treasury Department | 33,390 | 41,103 | .. | 7,713 |
| Land and Income Tax Department | 60,268 | 60,533 | .. | 265 |
| Stamp Duties Department | 74,851 | 101,415 | .. | 26,564 |
| National Provident and Friendly Societies Department | 19,992 | 24,935 | .. | 4,943 |
| Working Railways | 4,946,181 | 6,473,234 | .. | 1,527,053 |
| Post and Telegraph working expenses | 2,112,543 | 2,448,688 | .. | 336,145 |
| Public buildings | 77,875 | 109,092 | .. | 31,217 |
| Government domains | 4,470 | 4,513 | .. | 43 |
| Maintenance and improvement of roads | 55,948 | 62,280 | .. | 6,332 |
| Maintenance of irrigation works | 1,345 | 1,295 | 50 | .. |
| Native Department | 25,685 | 22,862 | 2,823 | .. |
| Department of External Affairs | 19,332 | 21,478 | .. | 2,146 |
| Cook Islands | 19,732 | 15,406 | 4,326 | .. |
| Department of Industries and Commerce | 95,321 | 157,518 | .. | 62,197 |
| Department of Justice | 47,300 | 45,875 | 1,425 | .. |
| Supreme and Magistrates' Courts | 95,315 | 101,219 | .. | 5,904 |
| Prisons Department | 77,301 | 79,545 | .. | 2,244 |
| Crown Law Office | 5,927 | 6,021 | .. | 94 |
| Police Department | 377,788 | 411,056 | .. | 33,268 |
| Pensions Department | 122,453 | 138,734 | .. | 16,281 |
| Mines Department | 26,823 | 47,076 | .. | 20,253 |
| Department of Internal Affairs | 344,783 | 367,062 | .. | 22,279 |
| Audit Department | 19,599 | 21,685 | .. | 2,086 |
| Public Service Commissioner's Office | 7,055 | 8,861 | .. | 1,806 |
| Printing and Stationery | *175,551 | Cr. 10,220 | 185,771 | .. |
| Mental Hospitals | 245,206 | 269,199 | .. | 23,993 |
| Department of Health | 233,823 | 223,388 | 10,435 | .. |
| Naval defence | 211,225 | 303,517 | .. | 92,292 |
| Defence | 285,113 | 415,450 | .. | 130,337 |
| Customs Department | 103,352 | 136,475 | .. | 33,123 |
| Marine Department | 117,204 | 151,695 | .. | 34,491 |
| Department of Labour | 38,096 | 35,762 | 2,334 | .. |
| Department of Lands and Survey | 152,377 | 215,672 | .. | 63,295 |
| Valuation | 36,739 | 55,278 | .. | 18,539 |
| Electoral | 101,320 | 6,295 | 95,025 | .. |
| Agriculture | 208,197 | 275,176 | .. | 66,979 |
| Tourists | 59,647 | 86,943 | .. | 27,296 |
| Education Department | 2,514,991 | 2,580,562 | .. | 65,571 |
| Services not provided for | 65,637 | 2,156 | 63,481 | .. |
| | 13,289,846 | 15,592,677 | 365,670 | 2,668,501 |
| | | | 1,293,281 | 3,496,359 |
| | | | .. | 1,293,281 |
| Total expenditure | 26,263,760 | 28,466,838 | .. | 2,203,078 |

* Receipts amounting to £225,358 have been credited to revenue (Departmental receipts) instead of being utilized in reduction of expenditure as in previous years.

Table No. 4.

EXPENDITURE.

COMPARATIVE STATEMENT OF THE APPROPRIATED AND ACTUAL EXPENDITURE OF THE CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 1923.

| | Appropriated, 1922-23. | Actual, 1922-23. | Difference. | |
|--|---------------------------|---------------------|-------------|-----------|
| | | | More. | Less. |
| Permanent Charges— | | | | |
| Civil List | £ 29,831 | £ 28,833 | £ .. | £ 998 |
| Interest | 7,720,812 | 7,904,260 | 183,448 | .. |
| Sinking Fund | 1,192,292 | 854,526 | .. | 337,766 |
| Reduction of funded debt | .. | 141,171 | 141,171 | .. |
| Under special Acts | 4,015,499 | 4,045,124 | 29,625 | .. |
| | 12,958,434 | 12,973,914 | 354,244 | 338,764 |
| Annual Appropriations, — | | | | |
| Legislative Departments | 69,382 | 70,091 | 709 | .. |
| Treasury Department | 32,104 | 33,390 | 1,286 | .. |
| Land and Income Tax Department | 65,770 | 60,268 | .. | 5,502 |
| Stamp Duties Department | 84,847 | 74,851 | .. | 9,996 |
| National Provident and Friendly Societies Department | 22,485 | 19,992 | .. | 2,493 |
| Working Railways | 6,165,921 | 4,946,181 | .. | 1,219,740 |
| Post and Telegraph working-expenses | 2,382,037 | 2,112,543 | .. | 269,494 |
| Public buildings | 103,158 | 77,875 | .. | 25,283 |
| Government domains | 4,815 | 4,470 | .. | 345 |
| Maintenance and Improvement of roads | 59,468 | 55,948 | .. | 3,520 |
| Maintenance of Irrigation Works | 2,250 | 1,345 | .. | 905 |
| Native Department | 28,504 | 25,685 | .. | 2,819 |
| Department of External Affairs | 18,756 | 19,332 | 576 | .. |
| Cook Islands | 22,837 | 19,732 | .. | 3,105 |
| Department of Industries and Commerce | 48,150 | 95,321 | 47,171 | .. |
| Department of Justice | 41,963 | 47,300 | 5,337 | .. |
| Supreme and Magistrates' Courts | 91,127 | 95,315 | 4,188 | .. |
| Prisons Department | 78,324 | 77,301 | .. | 1,023 |
| Crown Law Office | 6,027 | 5,927 | .. | 100 |
| Police Department | 405,260 | 377,788 | .. | 27,472 |
| Pensions Department | 127,496 | 122,453 | .. | 5,043 |
| Mines Department | 36,220 | 26,823 | .. | 9,397 |
| Department of Internal Affairs | 363,580 | 344,783 | .. | 18,797 |
| Audit Department | 24,893 | 19,599 | .. | 5,294 |
| Public Service Commissioner's Office | 8,312 | 7,055 | .. | 1,257 |
| Printing and Stationery | 220,094 | 175,551 | .. | 44,543 |
| Mental Hospitals | 305,558 | 245,206 | .. | 60,352 |
| Department of Health | 238,236 | 233,823 | .. | 4,413 |
| Naval Defence | 257,350 | 211,225 | .. | 46,125 |
| Defence Department | 328,630 | 285,113 | .. | 43,517 |
| Customs Department | 111,627 | 103,352 | .. | 8,275 |
| Marine Department | 132,290 | 117,204 | .. | 15,086 |
| Department of Labour | 39,803 | 38,096 | .. | 1,707 |
| Department of Lands and Survey | 205,442 | 152,377 | .. | 53,065 |
| Valuation | 42,353 | 36,739 | .. | 5,614 |
| Electoral | 84,658 | 101,320 | 16,662 | .. |
| Agriculture | 251,811 | 208,197 | .. | 43,614 |
| Tourists | 74,229 | 59,647 | .. | 14,582 |
| Education Department | 2,571,505 | 2,514,991 | .. | 56,514 |
| Services not provided for | .. | 65,637 | 65,637 | .. |
| | 15,157,272 | 13,289,846 | 141,566 | 2,008,992 |
| | | | 495,810 | 2,347,756 |
| | | | | 495,810 |
| Totals | 28,115,706 | 26,263,760 | .. | 1,851,946 |

Table No. 5.
NEW ZEALAND.—STATISTICAL COMPARISONS FOR A DECENNIAL PERIOD.

| Item. | Dates or Periods. | Unit. | Statistics for | | Increase. | |
|--|---------------------------------------|-------|-----------------------|------------------------|-------------|-----------|
| | | | First Date or Period. | Second Date or Period. | Numerical. | Per Cent. |
| Population (including Maoris) | At 31st March, 1913 and 1923 | no. | 1,111,592 | 1,325,301 | 213,709 | 19 |
| Total trade | Years ended 31st March, 1913 and 1923 | £ | 45,009,434 | 82,524,283 | 37,514,849 | 83 |
| Imports | Years ended 31st March, 1913 and 1923 | £ | 21,962,138 | 36,975,583 | 15,013,445 | 68 |
| Exports | Years ended 31st March, 1913 and 1923 | £ | 23,047,296 | 45,548,700 | 22,501,404 | 98 |
| Exports of wool | Calendar years 1912 and 1922 | lb. | 188,361,790 | 321,525,562 | 133,163,772 | 71 |
| Exports of frozen meat .. | Calendar years 1912 and 1922 | £ | 7,105,483 | 11,882,463 | 4,776,980 | 67 |
| Exports of butter | Calendar years 1912 and 1922 | £ | 2,573,238 | 3,518,004 | 944,766 | 37 |
| Exports of cheese | Calendar years 1912 and 1922 | £ | 3,909,569 | 8,387,468 | 4,477,899 | 115 |
| Exports of apples and pears.. | Calendar years 1912 and 1922 | £ | 378,117 | 1,120,200 | 742,083 | 196 |
| Cattle | 1911 and 1922 | no. | 2,088,809 | 9,041,554 | 6,952,745 | 333 |
| Dairy cows | 1911 and 1922 | no. | 577,070 | 1,161,196 | 584,126 | 101 |
| Sheep | 1911 and 1922 | no. | 1,680,393 | 4,686,850 | 3,006,457 | 179 |
| Pigs | 1911 and 1921 | no. | 589,421 | 4,741,322 | 4,151,901 | 704 |
| Hives of Bees | 1911 and 1921 | no. | 4,979 | 65,732 | 60,753 | 1,220 |
| Output of honey | 1911 and 1921 | no. | 2,020,171 | 3,323,223 | 1,303,052 | 65 |
| Exports of honey | Calendar years 1912 and 1922 | £ | 633,733 | 1,137,055 | 503,322 | 79 |
| Industrial manufacture-- .. | Years ended 31st March, 1911 and 1922 | no. | 24,191,810 | 22,928,864 | -1,262,946* | -5* |
| Establishments | | no. | 348,754 | 384,333 | 35,579 | 10 |
| Employees | | no. | 71,605 | 85,861 | 14,256 | 20 |
| Wages paid | | £ | 1,457,429 | 2,807,346 | 1,349,917 | 93 |
| Value of products | | £ | 55,770 | 1,289,135 | 1,233,365 | 2,212 |
| Value of land, buildings, machinery and plant | | £ | 1,053 | 46,816 | 45,763 | 4,346 |
| Length of telegraph and telephone lines | At 31st March, 1913 and 1923 | miles | 3,524 | 4,095 | 571 | 16 |
| Length of telegraph and telephone wire | At 31st March, 1913 and 1923 | miles | 47,631 | 61,068 | 13,437 | 28 |
| Telephone subscribers | At 31st March, 1913 and 1923 | no. | 5,572,270 | 11,519,975 | 5,947,705 | 107 |
| Railways | At 31st March, 1913 and 1923 | miles | 31,729,002 | 67,146,269 | 35,417,267 | 112 |
| Government expenditure on roads and bridges | Years ended 31st March, 1913 and 1923 | £ | 14,430,355 | 41,384,219 | 26,953,864 | 187 |
| Government water-races for irrigation purposes | At 31st March, 1912 and 1922 | miles | 14,484 | 18,785 | 4,300 | 30 |
| Area of swamp drained by Government | At 31st March, 1913 and 1923 | acres | 88,897 | 278,498 | 189,601 | 213 |
| | | | 32,252 | 82,459 | 50,207 | 156 |
| | | | 2,851 | 3,028 | 177 | 6 |
| | | | 337,585 | 643,156 | 305,571 | 91 |
| | | | 83 | 247 | 164 | 198 |
| | | | 30,010 | 172,358 | 142,348 | 474 |

* Decrease.

Table No. 6.

EDUCATION EXPENDITURE.

TOTAL EXPENDITURE ON EDUCATION OUT OF PUBLIC FUNDS, INCLUDING UNIVERSITY, PRIMARY, SECONDARY, AND HIGHER EDUCATION, TECHNICAL AND SPECIAL SCHOOLS.

| | Consolidated Fund. | | | | | Loan-money: Erection of School Buildings and Residences. | | Total. | Per Head of Mean Population. |
|------------|--------------------|-----------------------------|--|------------------------|--|--|--------------------------|-----------|------------------------------|
| | Special Acts. | National Endowment Revenue. | Administration: Vote, Education. Salaries and other Charges. | Revenue from Reserves. | Subsidies to Teachers' Super-annuation Fund. | Public Works Fund. | Education Loans Account. | | |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ s. d. |
| 1911-12 .. | 27,257 | 43,656 | 1,012,048 | 53,832 | 7,000 | 89,535 | .. | 1,233,328 | 1 3 1 |
| 1912-13 .. | 29,034 | 41,589 | 1,084,042 | 64,173 | 17,000 | 105,000 | .. | 1,340,838 | 1 4 6 |
| 1913-14 .. | 27,742 | 50,681 | 1,131,756 | 71,808 | 17,000 | 121,954 | .. | 1,420,941 | 1 5 3 |
| 1914-15 .. | 26,128 | 55,139 | 1,207,983 | 70,802 | 17,000 | 122,940 | .. | 1,499,992 | 1 6 2 |
| 1915-16 .. | 46,874 | 64,858 | 1,329,166 | 84,390 | 17,000 | 97,972 | .. | 1,640,260 | 1 8 6 |
| 1916-17 .. | 58,408 | 60,180 | 1,406,264 | 90,535 | 17,000 | 70,367 | .. | 1,702,754 | 1 9 8 |
| 1917-18 .. | 59,362 | 70,345 | 1,511,256 | 90,518 | 17,000 | 63,082 | .. | 1,811,563 | 1 11 5 |
| 1918-19 .. | 57,716 | 76,177 | 1,602,995 | 92,095 | 43,000 | 115,656 | .. | 1,987,639 | 1 14 1 |
| 1919-20 .. | 79,747 | 78,988 | 2,031,825 | 99,352 | 43,000 | 195,500 | .. | 2,528,412 | 2 1 10 |
| 1920-21 .. | 101,972 | 70,313 | 2,460,116 | 100,758 | 43,000 | 244,722 | 214,571 | 3,235,452 | 2 11 8 |
| 1921-22 .. | 96,217 | 71,737 | 2,580,562 | 105,448 | 43,000 | 2,469 | 563,411 | 3,462,844 | 2 13 10 |
| 1922-23 .. | 90,393 | 66,610 | 2,514,991 | 103,293* | 68,000 | .. | 361,976 | 3,205,263 | 2 8 11 |

The following amounts were also paid out of the Government Fire Insurance Fund for rebuilding school buildings destroyed by fire:—

| | £ |
|-----------------|--------|
| 1916-17 | 2,127 |
| 1917-18 | 2,658 |
| 1919-20 | 15,682 |
| 1920-21 | 16,162 |
| 1921-22 | 27,103 |
| 1922-23 | 8,542 |

* Net revenue after deducting expenses and cost of collection.

Table No. 8.

STATEMENT of the ESTIMATED LIABILITIES chargeable on the CONSOLIDATED FUND (REVENUE ACCOUNT) outstanding on the 31st MARCH, 1913, 1914, 1915, 1916, 1917, 1918, 1919, 1920, 1921, 1922, and 1923.

| | 31st March, 1913. | 31st March, 1914. | 31st March, 1915. | 31st March, 1916. | 31st March, 1917. | 31st March, 1918. | 31st March, 1919. | 31st March, 1920. | 31st March, 1921. | 31st March, 1922. | 31st March, 1923. |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| REVENUE ACCOUNT. | | | | | | | | | | | |
| Permanent Appropriations,— | | | | | | | | | | | |
| Civil List | 208 6 9 | 227 16 9 | 143 19 6 | 3,200 0 0 | 84 0 4 | 53 14 4 | 23 8 5 | .. | 148 4 5 | 232 10 1 | 185 15 3 |
| Under special Acts of the Legislature | 2,518 4 6 | 14,937 0 0 | 8,614 13 4 | 15,508 6 8 | 1,012 14 10 | 2,351 0 0 | 2,746 0 0 | 4,738 18 10 | 7,168 0 5 | 37,669 6 0 | 27,710 13 0 |
| Pensions .. .. . | .. .. . | 68 11 8 | .. .. . | 72 13 11 | .. .. . | 270 9 3 | 312 8 4 | 498 2 0 | 594 0 6 | 412 12 4 | 242 15 0 |
| | 2,726 11 3 | 15,233 8 5 | 8,758 12 10 | 18,781 0 7 | 1,096 15 2 | 2,675 3 7 | 3,061 16 9 | 5,237 0 10 | 7,910 5 4 | 38,314 8 5 | 28,139 3 3 |
| Annual Appropriations,— | | | | | | | | | | | |
| Legislative Departments | 103 14 4 | 152 2 1 | 246 11 0 | 400 3 9 | 83 15 1 | 955 12 1 | 958 6 5 | 30 10 9 | 1,818 11 1 | 3,855 16 8 | 438 15 10 |
| Departments of Minister of Finance | 182 7 5 | 592 14 6 | 397 4 6 | 393 7 8 | 1,588 14 2 | 7,707 16 7 | 33,927 13 6 | 10,991 11 11 | 51,929 0 9 | 3,981 4 3 | 3,913 12 1 |
| Working Railways | 150,514 0 0 | 136,909 0 0 | 157,575 0 0 | 113,679 0 0 | 129,112 0 0 | 136,976 0 0 | 170,311 5 10 | 262,551 0 0 | 408,363 0 0 | 182,645 0 0 | 195,527 0 0 |
| Post and Telegraph Department | 58,831 19 10 | 63,566 5 6 | 79,466 10 8 | 63,474 0 0 | 65,245 4 7 | 81,067 19 6 | 88,463 0 0 | 174,127 0 0 | 125,012 17 6 | 115,335 0 0 | 97,079 0 0 |
| Public Buildings, Domains, and Parks | 3,487 6 1 | 1,719 8 6 | 9,195 0 0 | 6,281 0 0 | 4,964 0 0 | 14,463 0 0 | 11,131 0 0 | 20,400 0 0 | 16,078 0 0 | 11,364 0 0 | 14,644 0 0 |
| Maintenance of Roads, and Works | 3,516 0 0 | 6,099 0 0 | 6,156 0 0 | 3,435 0 0 | 5,877 0 0 | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . |
| Justice Department* | 12,178 15 11 | 8,884 4 8 | 6,707 6 9 | 7,044 0 1 | 6,863 4 1 | 10,227 2 6 | 8,691 10 8 | 8,136 17 9 | 20,884 18 10 | 13,011 13 0 | 14,463 5 7 |
| Mines Department | 61 11 2 | 8,658 17 6 | 6,846 13 11 | .. .. . | .. .. . | .. .. . | .. .. . | 1,300 0 0 | 2,455 0 0 | 1,350 0 0 | 1,358 0 0 |
| Internal Affairs Department† | 10,988 16 10 | 19,064 12 2 | 14,655 17 5 | 10,791 15 6 | 19,572 3 3 | 20,796 2 2 | 33,587 10 3 | 16,115 9 8 | 32,599 12 3 | 59,834 13 11 | 27,210 18 3 |
| Defence Department ‡ | 12,958 10 5 | 7,055 15 5 | 25,369 5 11 | 20,408 19 1 | 7,792 13 9 | 17,292 7 6 | 20,288 9 10 | 5,637 7 1 | 6,396 0 9 | 28,255 17 0 | 12,339 11 5 |
| Customs Department | 2,927 6 10 | 1,447 16 4 | 1,234 2 1 | 1,248 16 8 | 3,350 16 3 | 5,144 0 5 | 6,118 14 9 | 2,283 12 7 | 4,082 11 0 | 4,487 0 10 | 3,937 6 1 |
| Marine Department .. .. . | .. .. . | 869 0 7 | 465 17 10 | 570 4 3 | 890 3 8 | 1,057 3 8 | 447 3 1 | 362 3 8 | 1,343 11 2 | 2,302 2 1 | 752 5 9 |
| Labour Department .. .. . | .. .. . | 4,065 19 9 | 2,625 5 2 | 1,695 8 10 | 1,914 19 2 | 1,104 15 3 | 2,998 17 4 | 828 12 3 | 4,528 0 5 | 5,835 4 8 | 3,122 17 7 |
| Leads Department | 11,385 5 3 | 8,420 0 0 | 3,134 0 0 | 6,500 0 0 | 4,060 0 0 | 8,016 0 0 | 50,173 0 0 | 2,061 0 0 | 14,988 0 0 | 50,950 18 9 | 9,392 14 7 |
| Agriculture Departments § | 10,403 7 0 | 2,402 10 6 | 13,862 8 2 | 41,060 0 0 | 20,332 0 0 | 14,196 0 0 | 18,585 0 0 | 4,122 0 0 | 11,616 0 0 | 25,963 3 4 | 22,520 4 5 |
| Education Department | 8,877 16 11 | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | 1,243 15 1 | 1,470 15 6 | 641 13 8 | 2,305 16 9 | 3,052 7 11 |
| Valuation and Electoral Departments\|\| .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . |
| | 286,396 18 0 | 269,907 7 6 | 327,937 3 5 | 276,981 15 10 | 271,646 14 0 | 319,003 19 8 | 446,825 6 9 | 510,418 1 2 | 702,736 17 5 | 511,477 11 3 | 409,851 19 6 |
| Services not provided for .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | 87 1 0 | .. .. . | .. .. . | 5 16 6 | .. .. . | .. .. . |
| Refunds of Revenue .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | .. .. . | 3,873 0 0 |
| Totals | 289,123 9 3 | 285,140 15 11 | 336,695 16 3 | 295,762 16 5 | 272,743 9 2 | 321,766 4 3 | 449,907 3 6 | 515,655 2 0 | 710,652 19 3 | 549,791 19 8 | 441,864 2 9 |

* Includes Native, External Affairs, Prisons, and Police Departments, and Cook Islands.
 † Includes Naval Defence.
 ‡ Includes Industries and Commerce and Tourists Departments.
 § Includes Audit, Printing and Stationery, Public Service Commissioner's Office, Mental Hospitals, and Health Departments.
 || Previous to 1918-19 Valuation Department was included in Lands Department and Electoral Department was included in Internal Affairs Department.

Table No. 8a.

STATEMENT OF THE ESTIMATED LIABILITIES CHARGEABLE ON THE CONSOLIDATED FUND (REVENUE ACCOUNT) OUTSTANDING ON THE 31ST MARCH, 1923.

REVENUE ACCOUNT.

| | | 1923. | | |
|--|--|----------|----|----|
| | | £ | s. | d. |
| Permanent appropriations— | | | | |
| Civil List | | 185 | 15 | 3 |
| Under Special Acts of the Legislature | | 27,710 | 13 | 0 |
| Pensions | | 242 | 15 | 0 |
| Refunds of Revenue— | | | | |
| Territorial | | 263 | 7 | 10 |
| Stamp Duties | | 3,609 | 1 | 2 |
| Registration and other fees— | | | | |
| Factories Act, 1908 | | 0 | 11 | 0 |
| Annual appropriations— | | | | |
| Legislative Departments | | 438 | 15 | 10 |
| Treasury Department | | 330 | 11 | 4 |
| Land and Income Tax Department | | 1,665 | 6 | 9 |
| Stamp Duties Department | | 739 | 14 | 0 |
| National Provident and Friendly Societies Department | | 1,178 | 0 | 0 |
| Working Railways | | 195,627 | 0 | 0 |
| Post and Telegraph Working-expenses | | 97,079 | 0 | 0 |
| Public Buildings | | 9,083 | 0 | 0 |
| Government Domains | | 106 | 0 | 0 |
| Maintenance and Improvement of Roads | | 5,328 | 0 | 0 |
| Maintenance of Irrigation Works | | 127 | 0 | 0 |
| Native Department | | 843 | 1 | 6 |
| Department of External Affairs | | 33 | 0 | 0 |
| Cook Islands | | 920 | 0 | 0 |
| Department of Industries and Commerce | | 595 | 14 | 1 |
| Department of Justice | | 1,509 | 14 | 5 |
| Supreme and Magistrates' Courts | | 986 | 16 | 4 |
| Prisons Department | | 3,595 | 4 | 0 |
| Police Department | | 6,575 | 9 | 4 |
| Mines Department | | 1,358 | 0 | 0 |
| Department of Internal Affairs | | 5,196 | 13 | 10 |
| Audit Department | | 439 | 11 | 4 |
| Public Service Commissioner's Office | | 76 | 4 | 10 |
| Printing and Stationery | | 4,324 | 7 | 5 |
| Mental Hospitals | | 10,377 | 19 | 0 |
| Department of Health | | 6,796 | 1 | 10 |
| Naval Defence | | 6,134 | 0 | 0 |
| Defence Department | | 6,205 | 11 | 5 |
| Customs Department | | 874 | 18 | 0 |
| Marine Department | | 3,062 | 8 | 1 |
| Department of Labour | | 752 | 5 | 9 |
| Department of Lands and Survey | | 3,122 | 17 | 7 |
| Valuation | | 2,043 | 13 | 0 |
| Electoral | | 1,008 | 14 | 11 |
| Agriculture | | 7,638 | 6 | 5 |
| Tourists | | 1,158 | 14 | 1 |
| Education Department | | 22,520 | 4 | 5 |
| Total | | £441,864 | 2 | 9 |

Table No. 9a.

STATEMENT OF THE ESTIMATED LIABILITIES CHARGEABLE ON THE PUBLIC WORKS FUND
OUTSTANDING ON THE 31ST MARCH, 1923.

| | | | | | | | 1923. | | |
|---------------------------------------|----|----|----|----|----|----|-----------------|----------|----------|
| | | | | | | | £ | s. | d. |
| Annual appropriations— | | | | | | | | | |
| Public Works, Departmental | .. | .. | .. | .. | .. | .. | 513 | 0 | 0 |
| Railway-construction | .. | .. | .. | .. | .. | .. | 173,190 | 0 | 0 |
| Additions to Open Lines | .. | .. | .. | .. | .. | .. | 88,720 | 0 | 0 |
| Public Buildings, General | .. | .. | .. | .. | .. | .. | 1,734 | 0 | 0 |
| Courthouses | .. | .. | .. | .. | .. | .. | 264 | 0 | 0 |
| Prisons | .. | .. | .. | .. | .. | .. | 1,499 | 0 | 0 |
| Police-stations | .. | .. | .. | .. | .. | .. | 1,731 | 0 | 0 |
| Postal and Telegraph | .. | .. | .. | .. | .. | .. | 86,059 | 0 | 0 |
| Agricultural | .. | .. | .. | .. | .. | .. | 13 | 0 | 0 |
| Mental Hospitals | .. | .. | .. | .. | .. | .. | 1,099 | 0 | 0 |
| Hospitals and Charitable Institutions | .. | .. | .. | .. | .. | .. | 947 | 0 | 0 |
| Timber-supply, Sawmills, &c. | .. | .. | .. | .. | .. | .. | 141 | 0 | 0 |
| Lighthouses | .. | .. | .. | .. | .. | .. | 1,359 | 0 | 0 |
| Harbour Works.. | .. | .. | .. | .. | .. | .. | 2,559 | 0 | 0 |
| Tourist and Health Resorts | .. | .. | .. | .. | .. | .. | 493 | 0 | 0 |
| Roads, &c. | .. | .. | .. | .. | .. | .. | 252,492 | 0 | 0 |
| Roads on Goldfields | .. | .. | .. | .. | .. | .. | 5,239 | 0 | 0 |
| Telegraph Extension | .. | .. | .. | .. | .. | .. | 360,027 | 0 | 0 |
| Lands, Miscellaneous | .. | .. | .. | .. | .. | .. | 1,202 | 0 | 0 |
| Irrigation and Water-supply | .. | .. | .. | .. | .. | .. | 3,512 | 0 | 0 |
| Plant, Material and Stores | .. | .. | .. | .. | .. | .. | 16,136 | 0 | 0 |
| Total | .. | .. | .. | .. | .. | .. | £998,929 | 0 | 0 |

Table No. 10.

STATEMENT showing the Total WAYS and MEANS of the PUBLIC WORKS FUND and the Total Net EXPENDITURE to the 31st MARCH, 1923.

| WAYS AND MEANS. | | £ | s. | d. | £ | s. | d. |
|---|---------|------------|----|----|-------------|----|----|
| LOANS :— | | | | | | | |
| Immigration and Public Works Loan, 1870 | .. .. . | 4,000,000 | 0 | 0 | | | |
| Immigration and Public Works Loan, 1873 | .. .. . | 2,000,000 | 0 | 0 | | | |
| Immigration and Public Works Loan, 1874 | .. .. . | 4,000,000 | 0 | 0 | | | |
| General Purposes Loan Act, 1873 | .. .. . | 750,000 | 0 | 0 | | | |
| New Zealand Loan Act, 1876 | .. .. . | 750,000 | 0 | 0 | | | |
| New Zealand Loan Act, 1877 | .. .. . | 2,200,000 | 0 | 0 | | | |
| New Zealand Loan Act, 1879 | .. .. . | 5,000,000 | 0 | 0 | | | |
| New Zealand Loan Act, 1882 | .. .. . | 3,000,000 | 0 | 0 | | | |
| New Zealand Colonial Inscribed Stock Loan Act, 1882 | .. .. . | 250,000 | 0 | 0 | | | |
| North Island Main Trunk Railway Loan Act, 1882 | .. .. . | 1,000,000 | 0 | 0 | | | |
| New Zealand Loan Act, 1884 | .. .. . | 1,500,000 | 0 | 0 | | | |
| New Zealand Loan Act, 1886 | .. .. . | 1,325,000 | 0 | 0 | | | |
| District Railways Purchasing Acts, 1885 and 1886 | .. .. . | 479,487 | 7 | 11 | | | |
| New Zealand Loan Act, 1888 | .. .. . | 1,000,000 | 0 | 0 | | | |
| Native Land Purchase Act, 1892 | .. .. . | 149,700 | 0 | 0 | | | |
| Lands Improvement and Native Lands Acquisition Act, 1894 | .. .. . | 500,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1896 | .. .. . | 1,000,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Amendment Act, 1897 | .. .. . | 250,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Amendment Act, 1898 | .. .. . | 500,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1899 | .. .. . | 1,000,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1900 | .. .. . | 1,011,600 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1901 | .. .. . | 1,250,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1902 | .. .. . | 1,750,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1903 | .. .. . | 997,690 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1904 | .. .. . | 750,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1905 | .. .. . | 1,000,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1906 | .. .. . | 989,700 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1907 | .. .. . | 1,000,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1908 | .. .. . | 1,250,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1909 | .. .. . | 1,000,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1910 | .. .. . | 1,750,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1911 | .. .. . | 1,500,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1912 | .. .. . | 1,748,900 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1913 | .. .. . | 1,750,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1914 | .. .. . | 3,000,000 | 0 | 0 | | | |
| Aid to Public Works and Land Settlement Act, 1921 | .. .. . | 5,058,179 | 2 | 10 | | | |
| Finance Act, 1909 | .. .. . | 1,250,000 | 0 | 0 | | | |
| Finance Act, 1915, and New Zealand Loans Act, 1915 | .. .. . | 2,000,000 | 0 | 0 | | | |
| Finance Act, 1916 | .. .. . | 1,000,000 | 0 | 0 | | | |
| Finance Act, 1917 | .. .. . | 850,000 | 0 | 0 | | | |
| Finance Act, 1918 (No. 2) | .. .. . | 2,500,000 | 0 | 0 | | | |
| Finance Act, 1919, Section 5 | .. .. . | 750,000 | 0 | 0 | | | |
| Finance Act, 1920, Section 15 | .. .. . | 2,500,000 | 0 | 0 | | | |
| Finance Act, 1921, Section 10 | .. .. . | 2,673,111 | 10 | 11 | | | |
| Post and Telegraph Act, 1908 | .. .. . | 200,000 | 0 | 0 | | | |
| Midland Railway Petitions Settlement Acts, 1902 and 1903 | .. .. . | 150,000 | 0 | 0 | | | |
| Paeroa-Waihi Railway Act, 1903 | .. .. . | 75,000 | 0 | 0 | | | |
| Waikaka Branch Railway Act, 1905 | .. .. . | 50,000 | 0 | 0 | | | |
| Wellington and Manawatu Railway Purchase Act, 1908 | .. .. . | 1,000,000 | 0 | 0 | | | |
| Appropriation Act, 1912 | .. .. . | 15,000 | 0 | 0 | | | |
| Irrigation and Water-supply Act, 1913 | .. .. . | 100,000 | 0 | 0 | | | |
| | | | | | 71,573,368 | 1 | 8 |
| RECEIPTS IN AID :— | | | | | | | |
| Amount transferred from Consolidated Fund | .. .. . | 11,805,000 | 0 | 0* | | | |
| Contributions of Canterbury Province for Railways | .. .. . | 56,000 | 0 | 0 | | | |
| Proceeds of Railway Material handed over to Cook County Council | .. .. . | 4,963 | 7 | 4 | | | |
| Stamp Duties to 31st December, 1876 | .. .. . | 264,657 | 16 | 4 | | | |
| Transfer from Confiscated Lands Liabilities Account | .. .. . | 19,963 | 1 | 3 | | | |
| Receipts under Section 16 of the Reserves and other Lands Disposal and Public Bodies Empowering Act, 1912 | .. .. . | 21,890 | 4 | 5 | | | |
| 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 | .. .. . | 58,316 | 4 | 4 | | | |
| Special Receipts under the Railways Authorization and Management Act, 1891 | .. .. . | 2,257 | 1 | 9 | | | |
| Special Receipts under the North Island Main Trunk Railway Loan Application Act, 1886 | .. .. . | 114,550 | 19 | 6 | | | |
| Sinking Funds released | .. .. . | 506,819 | 19 | 3 | | | |
| | | | | | 12,915,034 | 17 | 2 |
| | | | | | £84,488,402 | 18 | 10 |

* £1,000,000 transferred through medium of Railways Improvement Authorization Act 1914 Account in terms of section 5, subsection (1) of Finance Act, 1922.

Table No. 10—continued.

STATEMENT showing the Total WAYS and MEANS of the PUBLIC WORKS FUND and the Total Net EXPENDITURE to the 31st MARCH, 1923—continued.

| Expenditure on— | NET EXPENDITURE. | | £ | s. | d. | £ | s. | d. |
|--|------------------|--|------------|----|----|-------------|----|----|
| | | | | | | | | |
| Immigration | | | 2,597,742 | 6 | 7 | | | |
| Public Works, Departmental | | | 1,928,643 | 5 | 9 | | | |
| Railways, including Surveys of New Lines | | | 42,843,328 | 8 | 3 | | | |
| Roads | | | 13,759,721 | 8 | 8 | | | |
| Land-purchases | | | 2,061,738 | 9 | 4 | | | |
| Development of Mining | | | 883,921 | 15 | 2 | | | |
| Telegraph Extension | | | 5,502,001 | 11 | 3 | | | |
| Public Buildings | | | 8,891,421 | 3 | 10 | | | |
| Lighthouses, Harbour Works and Defences | | | 1,184,102 | 8 | 3 | | | |
| Contingent Defence | | | 1,087,290 | 13 | 0 | | | |
| Rates on Native Lands | | | 68,671 | 16 | 10 | | | |
| Thermal Springs | | | 14,599 | 13 | 2 | | | |
| Tourist and Health Resorts | | | 309,615 | 18 | 2 | | | |
| Lands Improvement | | | 184,050 | 9 | 4 | | | |
| Plant, Material, and Stores | | | 415,930 | 6 | 3 | | | |
| Charges and Expenses of raising Loans | | | 1,489,937 | 2 | 5 | | | |
| Coal-mines | | | 10,835 | 8 | 0 | | | |
| Interest and Sinking Fund | | | 218,500 | 0 | 0 | | | |
| Payment to Midland Railway Bondholders | | | 150,000 | 0 | 0 | | | |
| Irrigation and Water-supply | | | 391,023 | 8 | 4 | | | |
| Timber Supply, Sawmills, &c. | | | 31,093 | 17 | 8 | | | |
| Motor Transport Service | | | 22,679 | 9 | 11 | | | |
| | | | | | | 84,046,849 | 0 | 2 |
| Balance on 31st March, 1923,— | | | | | | | | |
| Cash in the Public Account | | | 10,859 | 7 | 7 | | | |
| Imprests outstanding | | | 200,694 | 11 | 1 | | | |
| Investment Account | | | 230,000 | 0 | 0 | | | |
| | | | | | | 441,553 | 18 | 8 |
| | | | | | | £84,488,402 | 18 | 10 |

Table No. 11.

ESTIMATED EXPENDITURE of the ORDINARY REVENUE ACCOUNT for 1923-24, compared with Actual Expenditure for 1922-23.

| REVENUE ACCOUNT. | Estimate for 1923-24. | Actual for 1922-23. | Differences. | |
|--|-----------------------|---------------------|--------------|-----------|
| | | | Increase. | Decrease. |
| | £ | £ | £ | £ |
| Permanent Charges,— | | | | |
| Civil List | 28,250 | 28,833 | .. | 583 |
| Interest | 7,660,111 | 7,904,260 | .. | 244,149 |
| Sinking Fund | 713,502 | 854,526 | .. | 141,024 |
| Reduction of Funded Debt | 292,562 | 141,171 | 151,391 | .. |
| Under special Acts | 3,767,361 | 4,045,124 | .. | 277,763 |
| | 12,461,786 | 12,973,914 | 151,391 | 663,519 |
| Annual Appropriations,— | | | | |
| Legislative Departments | 63,035 | 70,091 | .. | 7,056 |
| Treasury Department | 32,858 | 33,390 | .. | 532 |
| Land and Income Tax Department | 53,717 | 60,268 | .. | 6,551 |
| Stamp Duties Department | 80,104 | 74,851 | 5,253 | .. |
| National Provident and Friendly Societies Department | 21,493 | 19,992 | 1,501 | .. |
| Working Railways Department | 6,050,000 | 4,946,181 | 1,103,819 | .. |
| Post and Telegraph Working Expenses | 2,220,590 | 2,112,543 | 108,047 | .. |
| Public Buildings | 100,205 | 77,875 | 22,330 | .. |
| Government Domains | 5,052 | 4,470 | 582 | .. |
| Maintenance and Improvement of Roads | 65,000 | 55,948 | 9,052 | .. |
| Maintenance of Irrigation Works | 3,000 | 1,345 | 1,655 | .. |
| Native Department | 30,078 | 25,685 | 4,393 | .. |
| Department of External Affairs | 20,789 | 19,332 | 1,457 | .. |
| Cook Islands | 17,587 | 19,732 | .. | 2,145 |
| Department of Industries and Commerce | 76,020 | 95,321 | .. | 19,301 |
| Department of Justice | 45,882 | 47,900 | .. | 1,418 |
| Supreme and Magistrates' Courts | 96,753 | 95,315 | 1,443 | .. |
| Prisons Department | 78,937 | 77,301 | 1,636 | .. |
| Crown Law Office | 5,982 | 5,927 | 55 | .. |
| Police Department | 399,118 | 377,788 | 21,330 | .. |
| Pensions Department | 104,846 | 122,453 | .. | 17,607 |
| Mines Department | 35,951 | 26,823 | 9,128 | .. |
| Department of Internal Affairs | 319,439 | 344,783 | .. | 25,344 |
| Audit Department | 19,981 | 19,599 | 382 | .. |
| Public Service Commissioner's Office | 7,810 | 7,055 | 755 | .. |
| Printing and Stationery | 190,682 | 175,551 | 15,131 | .. |
| Mental Hospitals | 294,086 | 245,206 | 48,880 | .. |
| Health Department | 243,068 | 233,823 | 9,245 | .. |
| Naval Defence | 338,699 | 211,225 | 127,474 | .. |
| Defence Department | 338,344 | 285,113 | 53,231 | .. |
| Customs Department | 111,969 | 103,352 | 8,617 | .. |
| Marine Department | 119,132 | 117,204 | 1,928 | .. |
| Department of Labour | 37,768 | 38,096 | .. | 328 |
| Department of Lands and Survey | 183,386 | 152,377 | 31,009 | .. |
| Valuation Department | 46,555 | 36,739 | 9,816 | .. |
| Electoral Department | 9,021 | 101,320 | .. | 92,299 |
| Department of Agriculture | 241,858 | 208,197 | 36,661 | .. |
| Tourist Department | 66,678 | 59,647 | 7,031 | .. |
| Education Department | 2,637,380 | 2,514,991 | 122,389 | .. |
| Services not provided for | .. | 65,637 | .. | 65,637 |
| | 14,815,858 | 13,289,846 | 1,764,230 | 238,218 |
| | | | 1,915,621 | 901,737 |
| | | | 901,737 | .. |
| Total expenditure | 27,277,644 | 26,263,760 | 1,013,884 | .. |

Table No. 12.

ESTIMATED REVENUE of the CONSOLIDATED FUND (Ordinary Revenue Account) for 1923-24, compared with the Actual Revenue for 1922-23.

| | Estimate for 1923-24. | Actual for 1922-23. | Differences. | |
|---|-----------------------|---------------------|--------------|-----------|
| | | | Increase. | Decrease. |
| ORDINARY REVENUE ACCOUNT. | | | | |
| | £ | £ | £ | £ |
| Customs | 7,000,000 | 6,032,292 | 967,708 | .. |
| Beer Duty | 750,000 | 612,128 | 137,872 | .. |
| Stamp and Death Duties | 3,364,000 | 3,581,291 | .. | 217,291 |
| Postal and Telegraph | 2,488,000 | 2,705,030 | .. | 217,030 |
| Land-tax | 1,300,000 | 1,541,502 | .. | 241,502 |
| Income-tax | 3,500,000 | 3,831,932 | .. | 331,932 |
| Railways | 7,000,000 | 6,719,864 | 280,136 | .. |
| Registration and other Fees | 167,000 | 179,033 | .. | 12,033 |
| Marine | 81,000 | 50,579 | 30,421 | .. |
| Interest on Public Monies | 1,287,000 | 1,302,967 | .. | 15,967 |
| Local Bodies' Loans Act, 1908, Section 76 | 22,000 | 22,575 | .. | 575 |
| Rents of Buildings | 20,000 | 20,346 | .. | 346 |
| Tourist and Health Resorts | 40,000 | 39,823 | 177 | .. |
| Miscellaneous | 27,000 | 93,134 | .. | 66,134 |
| Territorial Revenue | 201,000 | 192,186 | 8,814 | .. |
| National Endowment Revenue.. .. . | 128,000 | 95,156 | 32,844 | .. |
| Departmental and other Receipts | 594,000 | 559,605 | 34,395 | .. |
| | | | 1,492,367 | 1,102,810 |
| | | | 1,102,810 | .. |
| Total | 27,969,000 | 27,579,443 | 389,557 | .. |

Table No. 13.

STATEMENT showing the Amount charged to "UNAUTHORIZED" in each Financial Year from 1st July, 1875, to 31st March, 1923.

| 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 | 99,323 | 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 3 | 87,902 | 0 3 |
| 1887-88 | 7,303 | 17 10 | 42,104 | 15 10 | 49,408 | 13 8 | 27,821 | 16 11 | 30,407 | 2 8 | 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 | 83,568 | 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 | 9,183 | 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 | 50,900 | 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 | 9,836 | 7 0 | 68,866 | 10 9 | 72,702 | 17 9 | 253 | 8 10 | 6,955 | 4 10 | 79,911 | 11 5 |
| 1902-1903 | 9,027 | 5 4 | 101,076 | 10 4 | 110,103 | 15 8 | 200 | 0 0 | 12,837 | 3 6 | 123,140 | 19 2 |
| 1903-1904 | 3,344 | 11 0 | 47,775 | 11 4 | 51,120 | 2 4 | 2,248 | 6 6 | 9,584 | 9 11 | 62,952 | 18 9 |
| 1904-1905 | 6,215 | 4 8 | 22,109 | 12 2 | 28,324 | 16 10 | 13,547 | 11 7 | 31,862 | 8 3 | 73,734 | 16 8 |
| 1905-1906 | 8,576 | 16 7 | 52,385 | 3 7 | 60,962 | 0 2 | 23,956 | 9 10 | 19,965 | 16 2 | 104,884 | 6 2 |
| 1906-1907 | 4,989 | 9 1 | 28,559 | 6 2 | 33,548 | 15 3 | 12,867 | 10 8 | 55,556 | 14 10 | 101,973 | 0 9 |
| 1907-1908 | 4,133 | 3 3 | 37,713 | 8 11 | 41,846 | 12 2 | 429 | 9 0 | 80,170 | 3 3 | 122,446 | 4 5 |
| 1908-1909 | 14,127 | 8 1 | 50,890 | 5 1 | 65,017 | 13 2 | 15,257 | 11 1 | 16,641 | 15 7 | 96,916 | 19 10 |
| 1909-1910 | 15,324 | 5 7 | 23,100 | 14 0 | 38,424 | 19 7 | 3,500 | 7 0 | 11,638 | 18 8 | 53,564 | 5 3 |
| 1910-1911 | 10,427 | 9 4 | 27,200 | 14 6 | 37,628 | 3 10 | 1,009 | 9 7 | 12,833 | 7 5 | 51,471 | 0 10 |
| 1911-1912 | 20,332 | 3 1 | 62,950 | 14 7 | 83,282 | 17 8 | 860 | 5 4 | 4,982 | 8 7 | 89,125 | 11 7 |
| 1912-1913 | 2,506 | 15 0 | 115,428 | 2 5 | 117,934 | 17 5 | 63 | 15 0 | 73,404 | 8 3 | 191,403 | 0 8 |
| 1913-1914 | 4,730 | 15 8 | 80,228 | 10 11 | 84,959 | 6 7 | 137 | 5 8 | 16,671 | 3 3 | 101,767 | 15 6 |
| 1914-1915 | 109,512 | 12 4 | 68,004 | 2 1 | 177,516 | 14 5 | 853 | 3 5 | 8,189 | 3 10 | 186,539 | 1 8 |
| 1915-1916 | 30,865 | 10 2 | 47,222 | 13 9 | 78,088 | 3 11 | 14,742 | 5 9 | 2,363 | 3 9 | 95,193 | 13 5 |
| 1916-1917 | 41,600 | 17 4 | 106,454 | 9 0 | 148,055 | 6 4 | 34,852 | 5 5 | 6,636 | 1 1 | 189,543 | 15 10 |
| 1917-1918 | 17,909 | 4 7 | 48,886 | 8 7 | 66,795 | 13 2 | 26,010 | 17 11 | 7,693 | 0 5 | 100,499 | 11 6 |
| 1918-1919 | 13,519 | 17 3 | 66,701 | 19 8 | 80,221 | 16 11 | .. | .. | .. | .. | 80,221 | 16 11 |
| 1919-1920 | 77,149 | 13 2 | 362,295 | 0 5 | 439,444 | 13 7 | 1,239 | 5 4 | 11,072 | 14 6 | 451,756 | 13 5 |
| 1920-1921 | 108,498 | 19 2 | 392,596 | 5 9 | 501,095 | 4 11 | 1,750 | 12 6 | 168,745 | 11 6 | 671,591 | 8 11 |
| 1921-1922 | 2,455 | 13 7 | 105,962 | 14 10 | 108,418 | 8 5 | 2,982 | 1 6 | 292,233 | 1 4 | 403,633 | 11 3 |
| 1922-1923 | 65,687 | 7 9 | 76,710 | 6 9 | 142,397 | 14 6 | 754 | 10 10 | 41 | 4 2 | 143,193 | 9 6 |

Table No. 14.
RETURN OF SUBDIVISIONS OF RURAL FREEHOLDS IN NEW ZEALAND.

| From To | Subdivision by Freeholders. | | | Subdivision under the Land Settlement Finance Act. | | | Subdivision under the Land for Settlements Act. | | | Total Subdivisions. | | |
|---|------------------------------|-------------------------------------|-------------------|--|-------------------------|---------------|---|-------------------------|----------------|------------------------------|-------------------------|------------------|
| | Number of Original Holdings. | Number of Subdivisions disposed of. | Area disposed of. | Number of Original Holdings. | Number of Subdivisions. | Area. | Number of Original Holdings. | Number of Subdivisions. | Area. | Number of Original Holdings. | Number of Subdivisions. | Area. |
| | | | Acres. | | | Acres. | | | Acres. | | | Acres. |
| 1/4/12-31/3/13 | 837 | 1,981 | 400,569 | 10 | 87 | 11,354 | 19 | 322 | 128,329 | 866 | 2,390 | 540,252 |
| 1/4/13-31/3/14 | 1,291 | 3,199 | 416,051 | 4 | 27 | 4,182 | 16 | 276 | 144,546 | 1,311 | 3,502 | 564,779 |
| 1/4/14-31/3/15 | 885 | 2,055 | 404,115 | 6 | 37 | 3,279 | 10 | 130 | 18,374 | 901 | 2,222 | 425,768 |
| 1/4/15-31/3/16 | 582 | 1,070 | 201,115 | 1 | 5 | 374 | 10 | 158 | 51,158 | 593 | 1,233 | 252,647 |
| 1/4/16-31/3/17 | 694 | 1,108 | 184,799 | .. | nil | .. | 15 | 165 | 58,334 | 709 | 1,273 | 243,133 |
| 1/4/17-31/3/18 | 643 | 1,096 | 194,572 | 1 | 6 | 1,545 | 16 | 222 | 35,891 | 660 | 1,324 | 232,008 |
| 1/4/18-31/3/19 | 753 | 1,227 | 207,933 | .. | nil | .. | 12 | 248 | 32,674 | 765 | 1,475 | 240,607 |
| 1/4/19-31/3/20 | 1,519 | 2,622 | 616,210 | .. | .. | .. | 64 | 416 | 219,259* | 1,583 | 3,038 | 835,469 |
| 1/4/20-31/3/21 | 1,724 | 3,046 | 565,653 | .. | .. | .. | 60 | 474 | 114,711* | 1,784 | 3,520 | 680,364 |
| 1/4/21-31/3/22 | 932 | 1,446 | 228,336 | .. | .. | .. | 15 | 145 | 17,047* | 947 | 1,591 | 245,383 |
| 1/4/22-31/3/23 | 732 | 1,149 | 170,300 | .. | .. | .. | 2 | 18 | 888* | 734 | 1,167 | 171,188 |
| Totals .. | 10,592 | 19,999 | 3,589,653 | 22 | 162 | 20,734 | 239 | 2,574 | 821,211 | 10,853 | 22,735 | 4,431,598 |
| Ordinary Crown land selected under settlement conditions during the eleven years ending the 31st March, 1923 | .. | .. | .. | .. | .. | .. | .. | .. | .. | .. | 8,327 | 1,604,775 |
| Native land vested in the Maori Land Boards disposed of for closer settlement during the eleven years ending the 31st March, 1923 | .. | .. | .. | .. | .. | .. | .. | .. | .. | .. | 455 | 167,096 |
| Grand total made available for closer settlement during eleven years ended the 31st March, 1923 | .. | .. | .. | .. | .. | .. | .. | .. | .. | .. | 31,517 | 6,203,469 |

NOTE.—Subdivisions of Native land not vested in the Maori Land Board but disposed of by way of sale or lease are not included in the above return.

* Disposed of to discharged soldiers under the Discharged Soldiers Settlement Act.

Table No. 15.

Statement showing the financial position of the Dominion on the 31st March, 1923, as compared with the 31st March, 1922 :—

[NOTE.—The term “liabilities” in these tables includes expenditure on public works for which contracts had been signed or material ordered on the 31st March, 1923.]

| CONSOLIDATED FUND. | | | | £ | £ |
|--|----|----|----|-----------|---------|
| Balance on 31st March, 1922 .. | .. | .. | .. | 7,531,367 | |
| Liabilities on 31st March, 1922 | .. | .. | .. | 549,792 | |
| Balance on 31st March, 1923 .. | .. | .. | .. | 5,637,090 | |
| Liabilities on 31st March, 1923 | .. | .. | .. | 441,864 | |
| STATE FORESTS ACCOUNT. | | | | £ | £ |
| Balance on 31st March, 1922 .. | .. | .. | .. | 9,377 | |
| Unexhausted authority for raising loan.. | .. | .. | .. | 223,219 | |
| | | | | — | 232,596 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | 4,486 |
| Balance on 31st March, 1923 .. | .. | .. | .. | 179,789 | |
| Unexhausted authority for raising loan.. | .. | .. | .. | 13,219 | |
| | | | | — | 193,008 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | 4,032 |
| STATE COAL-MINES ACCOUNT. | | | | £ | £ |
| Balance on 31st March, 1922 .. | .. | .. | .. | 55,191 | |
| Unexhausted authority for raising loan.. | .. | .. | .. | 55,000 | |
| | | | | — | 110,191 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | 22,200 |
| Balance on 31st March, 1923 .. | .. | .. | .. | 30,345 | |
| Unexhausted authority for raising loan.. | .. | .. | .. | 55,000 | |
| | | | | — | 85,345 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | 14,540 |

Table No. 15—continued.

| STATE COAL-MINES SINKING FUND ACCOUNT. | | | | | £ |
|---|----|----|----|----|-----------|
| Balance on 31st March, 1923 | .. | .. | .. | .. | 24,980 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | Nil. |
| SCENERY PRESERVATION ACCOUNT. | | | | | £ |
| Balance on 31st March, 1922 | .. | .. | .. | .. | 3,113 |
| Unexhausted authority for raising loan.. | .. | .. | .. | .. | 11,000 |
| | | | | | <hr/> |
| | | | | | 14,113 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | 29 |
| Balance on 31st March, 1923 | .. | .. | .. | .. | 4,140 |
| Unexhausted authority for raising loan.. | .. | .. | .. | .. | 2,000 |
| | | | | | <hr/> |
| | | | | | 6,140 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | 28 |
| NAURU AND OCEAN ISLANDS ACCOUNT. | | | | | £ |
| Balance on 31st March, 1922 | .. | .. | .. | .. | 24,884 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | 22,870 |
| Balance on 31st March, 1923 | .. | .. | .. | .. | 16,395 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | 515 |
| PUBLIC WORKS FUND. | | | | | £ |
| Balance on 31st March, 1922 | .. | .. | .. | .. | 429,682 |
| Unexhausted authority for raising loan.. | .. | .. | .. | .. | 2,844,710 |
| | | | | | <hr/> |
| | | | | | 3,274,392 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | 1,143,603 |
| Balance on 31st March, 1923 | .. | .. | .. | .. | 441,554 |
| Unexhausted authority for raising loan.. | .. | .. | .. | .. | 4,000,920 |
| | | | | | <hr/> |
| | | | | | 4,442,474 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | 998,929 |
| RAILWAYS IMPROVEMENTS AUTHORIZATION ACT, 1914, ACCOUNT. | | | | | £ |
| Balance on 31st March, 1922 | .. | .. | .. | .. | 1,904,166 |
| Unexhausted authority for raising loan.. | .. | .. | .. | .. | 458,310 |
| | | | | | <hr/> |
| | | | | | 2,362,476 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | 11,768 |
| Balance on 31st March, 1923 | .. | .. | .. | .. | 850,530 |
| Unexhausted authority for raising loan.. | .. | .. | .. | .. | 1,458,310 |
| | | | | | <hr/> |
| | | | | | 2,308,840 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | 16,603 |
| WAIHOU AND OHINEMURI RIVERS IMPROVEMENT ACCOUNT. | | | | | £ |
| Balance on 31st March, 1922 | .. | .. | .. | .. | 16,294 |
| Unexhausted authority for raising loan.. | .. | .. | .. | .. | 34,000 |
| | | | | | <hr/> |
| | | | | | 50,294 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | 5,298 |
| Balance on 31st March, 1923 | .. | .. | .. | .. | 15,143 |
| Unexhausted authority for raising loan.. | .. | .. | .. | .. | 124,000 |
| | | | | | <hr/> |
| | | | | | 139,143 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | 11,004 |
| ELECTRIC SUPPLY ACCOUNT. | | | | | £ |
| Balance on 31st March, 1922 | .. | .. | .. | .. | 2,171,117 |
| Unexhausted authority for raising loan.. | .. | .. | .. | .. | 7,010,990 |
| | | | | | <hr/> |
| | | | | | 9,182,107 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | 299,214 |
| Balance on 31st March, 1923 | .. | .. | .. | .. | 1,952,919 |
| Unexhausted authority for raising loan.. | .. | .. | .. | .. | 6,506,990 |
| | | | | | <hr/> |
| | | | | | 8,459,909 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | 344,075 |

Table No. 15—continued.

| CHEVIOT ESTATE ACCOUNT. | | | | | £ | |
|--|----|----|----|-----------|---------|-----------|
| Balance on 31st March, 1922 | .. | .. | .. | .. | 173,840 | |
| Balance on 31st March, 1923 | .. | .. | .. | .. | 189,067 | |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | 393 | |
| NATIONAL ENDOWMENT ACCOUNT. | | | | | £ | |
| Balance on 31st March, 1922 | .. | .. | .. | .. | 97,465 | |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | Nil. | |
| Balance on 31st March, 1923 | .. | .. | .. | .. | 111,357 | |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | 187 | |
| NATIONAL ENDOWMENT TRUST ACCOUNT. | | | | | £ | |
| Balance on 31st March, 1923 | .. | .. | .. | .. | 1,400 | |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | Nil. | |
| LAND FOR SETTLEMENTS ACCOUNT. | | | | | £ | £ |
| Balance on 31st March, 1922 | .. | .. | .. | 383,138 | | |
| Authority for raising loan | .. | .. | .. | 500,000 | | |
| | | | | <hr/> | | 883,138 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | | 982 |
| Balance on 31st March, 1923 | .. | .. | .. | 120,597 | | |
| Unexhausted authority for raising loan | .. | .. | .. | 1,000,000 | | |
| | | | | <hr/> | | 1,120,597 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | | 5 |
| NATIVE LAND SETTLEMENT ACCOUNT. | | | | | £ | £ |
| Balance on 31st March, 1922 | .. | .. | .. | 40,446 | | |
| Unexhausted authority for raising loan | .. | .. | .. | 500,000 | | |
| | | | | <hr/> | | 540,446 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | | 2,717 |
| Balance on 31st March, 1923 | .. | .. | .. | 30,210 | | |
| Authority for raising loan | .. | .. | .. | 500,000 | | |
| | | | | <hr/> | | 530,210 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | | 1,880 |
| LAND FOR SETTLEMENTS ACCOUNT. (DISCHARGED SOLDIERS SETTLEMENT ACCOUNT.) | | | | | £ | £ |
| Balance on 31st March, 1922 | .. | .. | .. | 10,903 | | |
| Authority for raising loan | .. | .. | .. | 1,000,000 | | |
| | | | | <hr/> | | 1,010,903 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | | 1,282 |
| Balance on 31st March, 1923 | .. | .. | .. | 10,725 | | |
| Authority for raising loan | .. | .. | .. | 1,000,000 | | |
| | | | | <hr/> | | 1,010,725 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | | 826 |
| LAND FOR SETTLEMENTS ACCOUNT. (OPENING UP CROWN LANDS FOR SETTLEMENT.) | | | | | £ | £ |
| Balance on 31st March, 1922 | .. | .. | .. | 42 | | |
| Unexhausted authority for raising loan | .. | .. | .. | 250,000 | | |
| | | | | <hr/> | | 250,042 |
| Liabilities on 31st March, 1922 | .. | .. | .. | .. | | 6,584 |
| Balance on 31st March, 1923 | .. | .. | .. | 481 | | |
| Authority for raising loan | .. | .. | .. | 250,000 | | |
| | | | | <hr/> | | 250,481 |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | | 83 |
| LAND ASSURANCE FUND ACCOUNT. | | | | | £ | |
| Balance on 31st March, 1923 | .. | .. | .. | .. | 74,231 | |
| Liabilities on 31st March, 1923 | .. | .. | .. | .. | Nil. | |

Table No. 15—continued.

| HAURAKI PLAINS SETTLEMENT ACCOUNT. | | | | £ | £ |
|---|--|--|--|-----------|-----------|
| Balance on 31st March, 1922 | | | | 8,348 | |
| Unexhausted authority for raising loan | | | | 58,000 | |
| | | | | <hr/> | 66,348 |
| Liabilities on 31st March, 1922 | | | | .. | 7,544 |
| Balance on 31st March, 1923 | | | | 9,049 | |
| Unexhausted authority for raising loan | | | | 70,000 | |
| | | | | <hr/> | 79,049 |
| Liabilities on 31st March, 1923 | | | | .. | 4,079 |
| RANGITAIKI LAND DRAINAGE ACCOUNT. | | | | £ | £ |
| Balance on 31st March, 1922 | | | | 2,370 | |
| Unexhausted authority for raising loan | | | | 90,000 | |
| | | | | <hr/> | 92,370 |
| Liabilities on 31st March, 1922 | | | | .. | 2,768 |
| Balance on 31st March, 1923 | | | | 4,892 | |
| Unexhausted authority for raising loan | | | | 29,100 | |
| | | | | <hr/> | 33,992 |
| Liabilities on 31st March, 1923 | | | | .. | 956 |
| WORKERS' DWELLINGS ACCOUNT. | | | | £ | £ |
| Balance on 31st March, 1922 | | | | .. | 52,100 |
| Balance on 31st March, 1923 | | | | .. | Nil. |
| STATE ADVANCES ACCOUNT. | | | | £ | £ |
| Balance on 31st March, 1922 | | | | 156,932 | |
| Unexhausted authority for raising loan | | | | 3,250,000 | |
| | | | | <hr/> | 3,406,932 |
| Liabilities and commitments on 31st March, 1922 | | | | .. | 623 |
| Balance on 31st March, 1923 | | | | 427,361 | |
| Unexhausted authority for raising loan | | | | 3,250,000 | |
| | | | | <hr/> | 3,677,361 |
| Liabilities and commitments on 31st March, 1922 | | | | .. | 2,636 |
| LOANS TO EMPLOYERS FOR WORKERS' DWELLINGS ACCOUNT. | | | | £ | £ |
| Balance on 31st March, 1922 | | | | 130 | |
| Unexhausted authority for raising loan | | | | 250,000 | |
| | | | | <hr/> | 250,130 |
| Balance on 31st March, 1923 | | | | 277 | |
| Unexhausted authority for raising loan | | | | 250,000 | |
| | | | | <hr/> | 250,277 |
| WAR EXPENSES ACCOUNT. | | | | £ | £ |
| Balance on 31st March, 1922 | | | | 3,710,439 | |
| Unexhausted authority for raising loan | | | | 4,467,360 | |
| | | | | <hr/> | 8,177,799 |
| Liabilities on 31st March, 1922 | | | | .. | 724,278 |
| Balance on 31st March, 1923 | | | | 2,508,973 | |
| Unexhausted authority for raising loan | | | | 4,467,360 | |
| | | | | <hr/> | 6,976,333 |
| Liabilities on 31st March, 1923 | | | | .. | 579,976 |
| GENERAL PURPOSES RELIEF ACCOUNT. | | | | £ | £ |
| Balance on 31st March, 1923 | | | | .. | 34,801 |
| Liabilities on 31st March, 1923 | | | | .. | Nil. |
| MINING ADVANCES ACCOUNT. | | | | £ | £ |
| Balance on 31st March, 1922 | | | | 552 | |
| Unexhausted authority for raising loan | | | | 50,000 | |
| | | | | <hr/> | 50,552 |
| Liabilities on 31st March, 1922 | | | | .. | Nil. |
| Balance on 31st March, 1923 | | | | 2,618 | |
| Unexhausted authority for raising loan | | | | 50,000 | |
| | | | | <hr/> | 52,618 |
| Liabilities on 31st March, 1923 | | | | .. | Nil. |

Table No. 15—continued.

| KAURI-GUM INDUSTRY ACCOUNT. | | | | £ | £ |
|--|--|--|--|-----------|-----------|
| Balance on 31st March, 1922 | | | | 1,945 | |
| Unexhausted authority for raising loan.. | | | | Nil. | |
| | | | | <hr/> | 1,945 |
| Liabilities on 31st March, 1922 | | | | .. | Nil. |
| Balance on 31st March, 1923 | | | | 2,089 | |
| Unexhausted authority for raising loan.. | | | | Nil. | |
| | | | | <hr/> | 2,089 |
| Liabilities on 31st March, 1923 | | | | .. | Nil. |
| DISCHARGED SOLDIERS SETTLEMENT ACCOUNT. | | | | | |
| | | | | £ | £ |
| Balance on 31st March, 1922 | | | | 832,755 | |
| Unexhausted authority for raising loan.. | | | | 1,222,320 | |
| | | | | <hr/> | 2,055,075 |
| Liabilities on 31st March, 1922 | | | | .. | Nil. |
| Balance on 31st March, 1923 | | | | 355,782 | |
| Unexhausted authority for raising loan.. | | | | 923,120 | |
| | | | | <hr/> | 1,278,902 |
| Liabilities on 31st March, 1923 | | | | .. | Nil. |
| DISCHARGED SOLDIERS SETTLEMENT LOANS ACT 1920 DEPRECIATION FUND ACCOUNT. | | | | | |
| | | | | £ | £ |
| Balance on 31st March, 1922 | | | | .. | 101,775 |
| Balance on 31st March, 1923 | | | | .. | 155,939 |
| MAIN HIGHWAYS ACCOUNT.—REVENUE FUND. | | | | | |
| | | | | £ | £ |
| Balance on 31st March, 1923 | | | | .. | 121,413 |
| Liabilities on 31st March, 1923 | | | | .. | Nil. |
| SWAMP LAND DRAINAGE ACCOUNT. | | | | | |
| | | | | £ | £ |
| Balance on 31st March, 1922 | | | | 18,222 | |
| Authority for raising loan | | | | 150,000 | |
| | | | | <hr/> | 168,222 |
| Liabilities on 31st March, 1922 | | | | .. | 3,453 |
| Balance on 31st March, 1923 | | | | 3,714 | |
| Unexhausted authority for raising loan.. | | | | 150,000 | |
| | | | | <hr/> | 153,714 |
| Liabilities on 31st March, 1923 | | | | .. | 3,409 |
| EDUCATION LOANS ACCOUNT. | | | | | |
| | | | | £ | £ |
| Balance on 31st March, 1922 | | | | 9,598 | |
| Unexhausted authority for raising loan.. | | | | 1,962,420 | |
| | | | | <hr/> | 1,972,018 |
| Liabilities on 31st March, 1922 | | | | .. | 1,692 |
| Balance on 31st March, 1923 | | | | 243,626 | |
| Unexhausted authority for raising loan.. | | | | 2,126,970 | |
| | | | | <hr/> | 2,370,596 |
| Liabilities on 31st March, 1923 | | | | .. | 144 |
| WESTPORT HARBOUR ACCOUNT. | | | | | |
| | | | | £ | £ |
| Balance on 31st March, 1922 | | | | .. | 5,510 |
| Liabilities on 31st March, 1922 | | | | .. | Nil. |
| Balance on 31st March, 1923 | | | | .. | Nil. |
| Liabilities on 31st March, 1923 | | | | .. | 498 |
| HUNTER SOLDIERS ASSISTANCE TRUST ACCOUNT. | | | | | |
| | | | | £ | £ |
| Balance on 31st March, 1922 | | | | .. | 183 |
| Balance on 31st March, 1923 | | | | .. | 1,371 |
| RESERVE FUND ACCOUNT. | | | | | |
| | | | | £ | £ |
| Balance on 31st March, 1922 | | | | .. | 2,000,000 |
| Liabilities on 31st March, 1922 | | | | .. | Nil. |
| Balance on 31st March, 1923 | | | | .. | 2,000,000 |
| Liabilities on 31st March, 1923 | | | | .. | Nil. |

Table No. 16.

STATEMENT OF ASSETS HELD, AND CAPITAL EXPENDITURE, AS AGAINST THE PUBLIC DEBT ON THE 31ST MARCH, 1923, TOGETHER WITH SUPPORTING SCHEDULES.

| | | | | | | <i>Liabilities.</i> | | |
|--|--|--|--|--|--|---------------------|---|--------------|
| | | | | | | £ | £ | |
| Public debt— | | | | | | | | |
| Ordinary | | | | | | 116,067,273 | | |
| State advances | | | | | | 12,562,950 | | |
| | | | | | | | | 128,630,223 |
| War | | | | | | 80,563,885 | | |
| Discharged-soldiers settlement (including purchase of estates) .. | | | | | | 9,759,216 | | |
| | | | | | | | | 90,323,101 |
| | | | | | | | | <hr/> |
| Gross Public Debt | | | | | | | | 218,953,324 |
| Less raised for redemption of loans maturing 1923/24 | | | | | | | | 50,020 |
| | | | | | | | | <hr/> |
| | | | | | | | | £218,903,304 |
| | | | | | | | | <hr/> |
| | | | | | | <i>Assets.</i> | | |
| | | | | | | £ | £ | |
| Sinking funds accrued (Schedule I) | | | | | | | | 11,879,256 |
| Investments of cash balances of the Public Account* (Schedule II) .. | | | | | | | | 7,855,364 |
| Bank of New Zealand shares, nominal value | | | | | | | | 1,125,000 |
| Reserve Fund securities, at cost | | | | | | | | 2,000,000 |
| New Zealand Consols—Investments and cash | | | | | | | | 475,992 |
| State advances—Mortgages and investments | | | | | | | | 13,977,288 |
| Advances made by Treasury (Schedule III) | | | | | | | | 19,238,326 |
| Cash in Public Account* | | | | | | £4,802,173 | | |
| Cash in hands of officers of the Government* | | | | | | 528,634 | | |
| | | | | | | | | <hr/> |
| | | | | | | 5,330,807 | | |
| Less outstanding liabilities 31st March, 1923 | | | | | | 2,424,610 | | |
| | | | | | | | | <hr/> |
| | | | | | | | | 2,906,197 |
| | | | | | | | | <hr/> |
| | | | | | | | | 59,457,423 |
| Total amount expended for railways, public buildings, telegraphs, harbours, lighthouses, housing, electric development, &c., to 31st March, 1923 (Schedule IV) | | | | | | | | †68,119,223 |
| Crown lands—Estimated value (including settlement lands, Native lands, and education reserves) | | | | | | | | 29,775,000 |
| State forests—Estimated value of forests, reserves, plantations, and nurseries‡ .. | | | | | | | | 38,043,026 |
| Samoa Crown Estates—Estimated value of late enemy property taken over in Samoa pending complete valuation | | | | | | | | 500,000 |
| | | | | | | | | <hr/> |
| Total assets | | | | | | | | 195,894,672 |
| Excess of liabilities over assets | | | | | | | | 23,008,632 |
| | | | | | | | | <hr/> |
| | | | | | | | | £218,903,304 |
| | | | | | | | | <hr/> |

Sinking Funds accrued : Schedule I.

| | | | | | | £ | | |
|--|--|--|--|--|--|-----------|--|-------------|
| Public Debt Extinction Act, 1910 | | | | | | 2,633,386 | | |
| War loans (Finance Act, 1918 (No. 2), section 6) | | | | | | 4,160,066 | | |
| Local Bodies' Loans Act, 1908 | | | | | | 799,601 | | |
| Naval Defence Act, 1909 | | | | | | 973,343 | | |
| War and defence loans | | | | | | 192,691 | | |
| New Zealand Loans Act, 1863 | | | | | | 2,207 | | |
| State advances debt | | | | | | 1,731,674 | | |
| State Coal-mines Act, 1908 | | | | | | 29,532 | | |
| Westport Harbour loans | | | | | | 281,332 | | |
| State Advances Act, 1913, section 26— | | | | | | | | |
| Land for settlements | | | | | | 1,056,139 | | |
| Native-land settlement | | | | | | 11,977 | | |
| Local authorities | | | | | | 6,497 | | |
| Guaranteed mining advances | | | | | | 811 | | |
| | | | | | | | | <hr/> |
| | | | | | | | | £11,879,256 |
| | | | | | | | | <hr/> |

* Does not include local bodies or deposits funds.

† This does not include £19,759,612 (Schedule V) expended on indirectly productive services, such as roads, immigration, &c., shown in table.

‡ Valuation not complete.

§ Stores and supplies on hand not included in assets.

Table No. 16—continued.

Investments of Cash Balances of Public Account: Schedule II.

| | £ |
|---|-------------------|
| Ordinary Revenue Account | 1,212,919 |
| State Forests Account | 166,844 |
| State Coal-mines Account | 10,000 |
| Public Works Fund (General Purposes Account) | 230,000 |
| Railways Improvement Authorization Act 1914 Account | 806,000 |
| Electric-supply Account | 1,803,758 |
| Cheviot Estate Account | 181,640 |
| Native Land Settlement Account | 20,000 |
| General Purposes Relief Account | 27,500 |
| Education Loans Account | 233,800 |
| War Expenses Account | 2,475,663 |
| Land Assurance Fund Account | 65,890 |
| Main Highways Account Revenue Fund | 110,000 |
| Land for Settlements Account | 29,350 |
| National Endowment Account | 82,000 |
| Discharged Soldiers Settlement Account | 250,000 |
| Discharged Soldiers Settlement Loans Act 1920 Depreciation Fund Account | 150,000 |
| | <u>£7,855,364</u> |

Advances made by Treasury: Schedule III.

| | £ |
|--|--------------------|
| Fishing industry promotion | 3,424 |
| Mining | 45,431 |
| Fruit-preserving | 57,287 |
| Kauri-gum | 75,000 |
| Cold-storage | 71,219 |
| Loans to employers or workers' dwellings | 3,620 |
| Silver and bronze coin | 470 |
| Samoa (loan) | 87,000 |
| To other Governments | 63,238 |
| Repatriation (advances outstanding 31st March, 1923) | 731,266 |
| Discharged-soldiers settlement (balance on mortgage) | 18,100,371 |
| | <u>£19,238,326</u> |

Total Amounts expended to 31st March, 1923: Schedule IV.

| | £ |
|---|--------------------|
| Railways (including unopened lines and assets taken over from provinces) | 46,471,077 |
| Public buildings | 8,891,421 |
| Telegraph extension | 5,502,002 |
| Lighthouses, harbour-works, &c. | 1,184,102 |
| Tourist and health resorts | 309,616 |
| Electric-power supply and development.. .. . | 2,172,010 |
| Nauru and Ocean Islands | 600,000 |
| Housing | 792,495 |
| Hauraki Plains settlement | 480,000 |
| Rangitaiki land-drainage | 420,900 |
| Swamp-land drainage | 268,000 |
| State coal-mines | 227,600 |
| Westport Harbour works, railway, dredging plant, &c.—Estimated value of assets taken over | 800,000 |
| | <u>£68,119,223</u> |

Indirectly Productive Services: Schedule V.

| | £ |
|---|--------------------|
| Roads | 13,759,721 |
| Immigration | 2,597,742 |
| Development of mining | 883,922 |
| Roads to open up Crown lands | 1,438,898 |
| Lands-improvement | 184,050 |
| Scenery-preservation | 163,000 |
| Waihou and Ohinemuri Rivers improvement | 310,162 |
| Irrigation and water-supply | 391,023 |
| Timber-supply, sawmills, &c. | 31,094 |
| | <u>£19,759,612</u> |

