1898.
NEW ZEALAND.

FINANCIAL STATEMENT

(In Committee of Supply, 9th August, 1898)

BY THE COLONIAL TREASURER, THE RIGHT HON. R. J. SEDDON.

Mr. Guinness,—

In accordance with the announcement made last week, it gives me very great pleasure to place before you the much inquired-after and longed-for Financial Statement.

For some years past, the reference in the Budget to matters not directly relating to finance has given rise to prolonged debates: to obviate this I have made a departure by eliminating from the Financial Statement this year all reference to extraneous matters not bearing directly on finance; and, seeing that the statements and reports from the several departments give more complete and elaborate information on the several subjects than was contained in the necessarily condensed reports in previous Financial Statements, it will be an advantage not to have the Budget loaded with reference to departmental and abstract policy questions. It is pleasing to me on this as on former occasions to relate to honourable members that there was another substantial surplus at the close of the financial year. In accordance with the provisions of the Public Revenues Acts the audited accounts of the colony have been duly gazetted, and consequently their contents have been published far and wide. I have been extremely amused at the "war of the surplus" which has been waged by leading journals. In one camp it was complacently asserted that the alleged surplus of £521,000 was in reality a deficit of over £800,000, and the figures compiled by an erstwhile champion of members opposite were triumphantly quoted in support of this contention. I have little desire to enter the lists, for it appears to me to be of no importance whether the real and substantial sum of £521,000 with which the year closed is called a "surplus" or a "balance." The amount is available for expenditure during the current year, and, as Colonial Treasurer, I feel quite satisfied that, whatever it may be called, the money was there. Perhaps if the word "balance" was made use of there would not be so much argument. The exact figures of the balance with which the year concluded were £521,144, after payment of £10,000 for the patent rights of the cyanide process, and the transfer of £300,000 in aid of public works. This last-named sum completes a total of £1,330,000 which has been during the last few years contributed to the Public Works Fund out of the balances of the ordinary Revenue Account of the colony. This very substantial aid has been obtained without entailing hardship or inconvenience to the public at large. The annual interest on the £1,330,000, at 3½ per cent., is £46,550, that would otherwise have been sent out of the colony, which would have been poorer by that amount. I notice in the controversy which has been going on over the surplus that much stress has been laid upon the inclusion in the Revenue Account of the money raised under "The Consolidated Stock Act, 1884"; and, being included in the Revenue Account, it has necessarily formed a part of the surplus at the end of each year during our Administration, when "surpluses" have been the rule, and not, as in former years, the exception. I can scarcely