

for an increase of £57,579, the result of increased grants in terms of the amended scale brought into force last year. In the Department administered by my colleague the Minister for Agriculture the expenditure increased by £26,408. The purchase of land for experimental farms, and the erection of necessary buildings thereon, and the cost of their upkeep, involve a large expenditure. These farms, however, are doing very good work, and it will not be long before they are self-supporting. The passing of "The Slaughtering and Inspection Act, 1900," necessitated the engagement of additional veterinarians and assistants; and a considerable sum required to be expended in the purchase and importation of stud horses and cattle. My own Department of Working Railways, I notice, is answerable for an increase of £135,939 over last year's figures. This additional expense had to be incurred in order to cope with the very largely increased traffic, to meet which some 445,000 extra train-miles had to be run. The visit of the Royal party necessitated heavy extra outlay to insure, by extra care and precautions, the safety of our Royal guests while travelling on the railway-lines. Twenty-three miles of new lines were added, and many additional train facilities were introduced for the comfort and convenience of travellers. All these items spell additional cost.

Including services not provided for, the increased expenditure under the annual appropriations of last year over the previous year amounted to £353,766. Adding these last figures to the £62,445 increase under the permanent appropriations gives £416,211 of increased expenditure during last year, as I have already stated.

In addition to the ordinary departmental expenditure a sum of £19,000 was paid for the redemption of debentures at short currency issued under "The Land for Settlements Consolidation Act, 1900," and £500,000 were paid over to the Public Works Fund in accordance with the Budget Statement of last year and parliamentary authority duly obtained.

RESULTS AT THE CLOSE OF 1901-2.

The balance brought forward to commence the year amounted to £532,564 and the excess of revenue over expenditure for the twelve months resulted in an additional sum of £256,924; these sums together amount to £789,488, from which we have to deduct the transfer of £500,000 to the Public Works Fund and the £19,000 for debentures redeemed, leaving £270,488 as a surplus at the close of the year, which I am sure honourable members will agree with me in thinking is an exceedingly satisfactory result of the year's transactions.

PUBLIC WORKS FUND.

My colleague the Minister for Public Works is desirous of presenting his annual Statement as early as possible, and will therein give you full details of the expenditure out of the moneys at credit of this fund. These, in conjunction with the statement of account already gazetted (a copy of which has been laid before you), render it quite unnecessary for me to go into any elaborate review in this place of the transactions within the fund. I may mention, however, that we received during the year the sum of £1,000,513 19s. 2d. from the sale of debentures under the authorising Act of 1900, and £1,062,666 13s. 4d. from the sale of stock and debentures issued under the Act of 1901. Besides the half-million transferred from the Consolidated Fund, moneys amounting to £1,615 12s. 2d. were received in connection with the Ellesmere and Forsyth Reclamation and Akaroa Reclamation Trust. These figures, added to the balance brought forward at the commencement of the year, amounting to £232,515 18s. 1d., produced available ways and means for the year of £2,797,312 2s. 9d. The ordinary expenditure amounted to £2,143,252 14s. 9d. £200,000 in respect of advances obtained during the preceding year were paid off, thus leaving a balance in the fund at the close of the year of £454,059 8s., which will be supplemented by the balance of the million loan to be received during the current year, roughly estimated at £100,000. I shall have something to say about the increased public-works expenditure when I am dealing with the proposals for the current year.