	£
Repatriation branch to be transferred to State Advances Office.	
Additional grant for deficiency, Western Samoa	6,000
Further capital to be provided for State Advances Office.	
Housing: Continued assistance to be granted.	
Superannuation subsidies—	
Public Service	136,000
Railways	170,000
Teachers	68,000
Present cost-of-living bonus to widows and children of deceased superannuitants to be made permanent.	
Land-settlement, 508,000 acres available.	
Land-settlement to be actively promoted.	
Reclamation of further swamp areas.	
Irrigation works to be extended.	
Revaluation discharged soldiers settlement lands to be completed.	
Increased subsidies for Hospital Boards.	
Control of credits in aid of votes becomes operative.	
Improved use of sinking funds by Public Debt Repayment Bill.	
Estimated reduction in interest and sinking-fund charges	141,042
Loans falling due, 1924–25, to be provided for	11,891,507
Dividend from Bank of New Zealand shares increased by	50,000
Payment of salaries and wages of public servants bi-monthly.	
Increased General Imprest for Treasury.	
Moratorium: Legislation to meet hardship at termination.	
Taxation to be reduced.	

CONCLUSION.

Many suggestions have been made with regard to borrowing a large sum of money for mortgage purposes. It is my duty to point out that this is a matter about which we require to be very careful if we are to maintain our credit in London. The credit of New Zealand stands high at present, but any appearance of recklessness or extravagance in finance would have a very bad effect, and must be avoided by every means possible. Development is going on steadily, and our producers have done wonders during the last two years. Their industry and energy have made New Zealand the most prosperous country in the British Empire, but there are still enormous possibilities in front of us—new land to be brought into cultivation, and that which is already cultivated made more productive still. Science has done much for the primary industries, but I believe it will do a great deal more in the future. I want particularly to strike a warning note about over-borrowing, and in doing so I admit that we cannot go on developing without a certain amount of loan-money, but it has to be remembered that every million borrowed increases the annual charge upon the country and the burdens upon the taxpayer. This is the case whether the money is borrowed by the General Government or the local bodies; the effect is the same. Care should be taken, therefore, to see that borrowed money is, as far as possible, used only for revenue-earning purposes. This is the policy which the Government has followed since the end of the war—that of building up against the public debt a collection of assets which will go a long way towards providing the interest and sinking fund on the borrowed millions; and I am glad to be able to say that both the values and the earning-power of these assets are steadily increasing. That the operations of countries borrowing are very closely watched by the financial authorities in London is quite evident from what took place quite recently, when a British country asked for a fairly large loan at what seemed a reasonable rate of interest, and the underwriters were left with 85 per cent. of the proposed amount on their hands. Our credit is a most valuable asset, and it requires to be safeguarded accordingly.

The year's operations are a proof of the industry and energy of the people of New Zealand, especially of its producers. Economy and self-reliance are qualities