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1924.
NEW ZEALAND.

FINANCIAL STATEMENT.

(*In Committee of Supply, 23rd July, 1924.*)

BY THE RIGHT HONOURABLE W. F. MASSEY, P.C., MINISTER OF FINANCE.

MR. YOUNG,—

I have again the pleasure to submit for the consideration of honourable members the annual statements of account, which furnish a record of progress and unmistakable evidence of a continued return to prosperity. The revenue has been equal to expectations, and the expenditure has been kept down wherever possible to do so without loss of efficiency, with the result that there is a substantial surplus of revenue over expenditure. The financial transactions of the year are set out in detail in the printed tables attached to, and accompanying, this Statement.

CONSOLIDATED FUND.

ORDINARY REVENUE ACCOUNT.

REVENUE, 1923-24.

I estimated to receive during the year a total ordinary revenue of £27,969,000 : the actual amount received was £27,960,370, or £8,630 short of the estimate, but £380,927 in excess of the amount collected during the previous financial year.

The principal *increases* over 1922-23 were,—

	£
Customs	1,205,923
Railways	234,605
Marine	40,355
Registration and other fees	36,288
Territorial revenue	30,192

The principal *decreases* were—

Interest on public moneys	657,075
Stamp and death duties	237,510
Departmental and other receipts	49,049
Land-tax	115,040
Income-tax	50,400
Post and telegraph	23,790

The decrease in interest on public moneys is owing to the fact that the yearly interest due to the Consolidated Fund on the amount advanced to the Discharged Soldiers Settlement Account is outstanding. It is expected, however, that the account will be able to meet its obligations for the current year. In view of the shortage of houses and the demand for homes by discharged soldiers, it was considered preferable to allow the account the temporary use of the interest, amounting to £540,000, for advances to soldiers, rather than to increase the public

debt by further borrowing. To have borrowed for the purpose of paying this interest would have merely inflated the surplus and increased the annual charges of the public debt. The amount actually advanced to discharged soldiers for housing during 1923–24 was £571,000 for 714 homes.

The revenue derived from the national endowments is now transferred direct from the National Endowment Account, instead of being passed through the Ordinary Revenue Account, consequently a nominal decrease is shown in that respect. With the exception of the death duties, the other decreases are attributable to reduced taxation and charges.

EXPENDITURE.

The amount appropriated to meet the expenditure of the year was £27,483,378, but the expenditure was £26,148,005, which, when compared with the expenditure of the previous year, shows a net decrease of £115,755. The permanent charges on account of interest and sinking-fund payments, which included the Imperial funded debt contribution, have slightly decreased. The expenditure under special Acts is less by £505,347, but in the previous year £250,000 was paid to the Electric Supply Account under special enactment.

In the departmental expenditure the principal increases over the expenditure of the previous year were,—

	£
Railways	206,960
Public buildings	14,782
Mines	10,838
Naval defence	74,498
Defence	63,519
Valuation	16,609
Education	89,517
Services not provided for	123,747

An amount of £70,000 for wheat purchased in Australia is included in the last item, but this will be recouped.

RESULT OF THE YEAR'S OPERATIONS, 1923–24.

	£	£
Balance brought forward, 1st April, 1923	5,637,090	
Revenue	27,960,370	
Expenditure	26,148,005	
		<hr/>
Add surplus of revenue over expenditure	1,812,365	
		<hr/>
		7,449,455
Plus repayment by Native Land Settlement Account (Finance Act, 1923, sec. 7 (3)) (transferred to Loans Redemption Account)	22,600	
		<hr/>
		7,472,055
Less transfers to—	£	
Discharged Soldiers Depreciation Fund Account	50,000	
Loans Redemption Account	1,367,341	
Public Works Fund	1,000,000	
Education Loans Account	100,000	
		<hr/>
		2,517,341
		<hr/>
Balance at 31st March, 1924	£4,954,714	

The balance was held as follows:—

	£
Cash	1,727,746
Imprests	152,631
Investments	3,074,337
	<hr/>
	£4,954,714
	<hr/>

Included in the investments are debentures issued for State Advances purposes amounting to £2,326,150.

This satisfactory result justifies the opinion expressed in last year's Financial Statement that the Dominion had reached the end of the period of unrest and uncertainty, and that natural causes, if supported by economical and careful administration, would ensure a speedy recovery.

The trade returns disclose steady progress and prosperous conditions, and indicate that everything this country produces can be sold or exchanged.

For the financial year ended 31st March, 1924, the value of the exports exceeded the value of the imports by £7,250,000, there being an increase both in volume and value. After making due allowance for the interest payable in the United Kingdom on Government and local bodies' loans there remained a balance in favour of the Dominion. It will, of course, be understood that any debit balance must ultimately be transferred to the permanent or semi-permanent debt; therefore, having regard to borrowing in the United Kingdom by the Government and local bodies, it is incumbent on me to point out that a credit balance can only be sustained by increased production. Borrowing abroad must therefore be kept within relative limits, and care taken that imported capital is strictly applied to productive purposes.

ACCUMULATED SURPLUSES.

The balance of accumulated surpluses brought forward on the 1st April, 1923, amounted to	£
<i>Less transferred, 1923-24</i>	5,637,090
	<u>2,517,341</u>
	3,119,749
Add surplus of revenue over expenditure, 1923-24 ..	1,812,365
Add recoupment from Native Land Settlement Account of amount previously transferred to Loans Redemption Account	22,600
	<u>£4,954,714</u>
Balance forward on 1st April, 1924	
Balance made up of—	
Investments—	£
State Advances securities	2,326,150
Bank of New Zealand shares	375,000
Sundry securities	373,187
Cash, including imprests	1,880,377
	<u>£4,954,714</u>

Statement showing how Accumulated Surpluses have been applied.

To	Total accumulated surplus, £	By Transfers to—	£
1920-24	26,799,257	Discharged Soldiers Settlement Account	13,500,000
		Discharged Soldiers Depreciation Fund Account	100,000
		Public Works Fund	1,500,000
		Reserve Fund securities	2,000,000
		Loans redemption	4,264,712
		Education Loans Account	100,000
		Balance revenue and expenditure, 1921-22	279,831
		State Advances securities	2,326,150
		Bank of New Zealand shares	375,000
		Sundry securities	373,187
		Cash balance, 31st March, 1924	1,880,377
	<u>£26,799,257</u>		<u>£26,799,257</u>

From the foregoing it will be seen that the accumulated revenue surpluses have been applied either to capital or to debt-reduction purposes. Education and soldier settlement have been provided for, whilst unemployment and the provision of homes for settlers and workers have received attention.

The amounts transferred to the various funds and accounts have relieved the permanent charges for interest and sinking fund to the extent of £442,000 per annum, while the annual revenue of the interest-bearing investments amounts to no less than £775,000, thus affording an annual relief to taxpayers of approximately £1,217,000.

To illustrate the advantage of a surplus of revenue from one year to finance the succeeding year, it may be pointed out that in April, 1923, £1,300,000 in cash was immediately required for advances to imprestees, and on the average this sum remained outstanding throughout the year. Indeed, the expenditure exceeded the revenue during the earlier part of the year. At the end of seven months, the disbursements from the Ordinary Revenue Account exceeded the receipts by over £2,500,000, consequently the surplus of £1,300,000 was not sufficient to meet requirements, and but for a previously accumulated surplus it would have been necessary to issue Treasury bills for ordinary revenue purposes, which would have meant increased interest charges. None were required, however, in New Zealand, although the State Advances and other accounts had to be financed. The country was fortunate in possessing a cash reserve that could be used for these purposes without borrowing—a course which, in the interest of sound finance, I was anxious to avoid.

ECONOMIES.

The expenditure of the Consolidated Fund for 1923–24 continues to reflect the policy of systematic economy inaugurated in 1921, the expenditure for the past three years being,—

				£
1921–22	..	..	..	28,466,838
1922–23	..	..	..	26,263,760
1923–24	..	..	..	26,148,005

The reduction in expenditure in 1922–23 over that of the previous year totalled £2,203,078, and this contraction has not only been sustained but a still further reduction of £115,755 is recorded.

TREASURY BILLS.

It was not necessary to anticipate the receipt of revenue by the issue of Treasury bills in New Zealand, as the balance carried forward at the 1st April enabled requirements to be met during the difficult months of the year.

In order, however, to provide additional cash for the State Advances Office, instead of selling investments held by the Ordinary Revenue Account, advantage was taken of the Dominion's credit in London to issue Treasury bills amounting to £2,250,000, and also £500,000 in anticipation of the 1924 loan for public works.

The Treasury bills for the first-mentioned sum were redeemed before the 31st March, so that no bills against revenue were outstanding. The following liability of £2,100,000 existed in the shape of bills issued for loans-redemption purposes: £1,000,000 issued in 1922–23, £1,100,000 issued in 1923–24, and also the £500,000 bill against the new loan referred to above.

The provision of cash by means of bills for short terms at low interest rates has meant a considerable economy in the annual interest charge. The saving effected by the renewal of the redemption bills, instead of incorporating them in the 1923 and 1924 loans, is estimated to amount to £51,700.

BRITISH WAR-LOAN STOCK.

Temporary investments in British War-loan stock held by certain accounts were realized during 1923–24, totalling £945,000, of which £815,000 was purchased in 1917 at 95, and the remainder in 1922 at about 99. The profits on these transactions amounted to £46,424.

The British Government recently offered an inducement to holders to convert this 5-per-cent. stock into $4\frac{1}{2}$ -per-cent., maturing in 1943, but after considering the advantages of retaining the present holding, which earns about £5 5s. per cent. until maturity in 1929, it was decided not to apply for conversion.

NEW ZEALAND INSCRIBED STOCK IN LONDON AND LOAN CHARGES.

I referred last year to a reduction in the Bank of England charges for the management of New Zealand inscribed stock in London dating as from 1913, and that a refund of £30,676 would be made, but subject to Imperial taxation paid by the bank amounting to £14,383. Representations were made as to a remission of this taxation, and I have since been advised that altogether £23,293 has been refunded.

As regards loan expenses, further minor reductions in charges should result in a saving of £3,750 on the last loan.

PURCHASE OF NEW ZEALAND STOCK.

A purchase was recently effected, at a profitable discount, of our 4-per-cent. stock maturing in 1929. An amount of £250,000 was secured for cancellation in terms of section 24 of the Finance Act, 1921–22. The transaction will represent a saving over the period of five years of about £60,000 in premium and interest.

1924 LOAN.

Although I was able to finance the last year and provide additional large sums for the Advances Office without outside borrowing, I decided in May to place a loan of £5,000,000 in London, £3,000,000 of which was for public works, £1,000,000 for advances to settlers, and £1,000,000 for advances to workers. The issue was $4\frac{1}{2}$ per cent. at £95, and I am pleased to state that the loan was subscribed fourfold, and, moreover, immediately went to a small premium.

The interest-yield of the loan to investors is £4 14s. 9d. per cent. per annum. To assist in meeting the heavy demands that have been made, I have arranged to obtain some additional capital on the same terms for State-advances purposes.

The following table of comparison with recent issues of other Dominions indicates the high credit of New Zealand in London:—

Date.	Borrower.	Amount of Loan.	Rate per Cent.	Date Maturing.	Issued at	Interest Return per Cent.
1924.		£				£ s. d.
February 26 ..	South Africa ..	4,000,000	5	1933–43	99	5 1 0
March 11 ..	New South Wales ..	16,419,000	5	1935–55	97½	5 2 7
„ 25 ..	South Australia ..	1,650,300	5	1932–42	98	5 2 0
April 4 ..	Queensland ..	12,700,000*	5½	1926–29	99½	5 10 7
May 8 ..	New Zealand ..	5,000,000	4½	1944	95	4 14 9
„ 19 ..	Commonwealth of Australia	10,000,000	5	1935–45	100	5 0 0
„ 29 ..	New South Wales ..	10,000,000	5	1935–45	95	5 5 3

* Approximate.

PUBLIC WORKS FUND.

The expenditure on public works was practically the same as that for the year 1922–23, and amounted to £3,749,160—the bulk being for railway-construction, additions to open lines, roads, &c., and telegraph-extension. My colleague the Honourable the Minister of Public Works will at a later date submit important proposals making for continued progress with developmental works, and you will be asked to provide by legislation for next year's expenditure.

I propose to meet the requirements of the current year with £3,000,000 of the loan recently raised in London, and to supplement this amount by again transferring the sum of £1,000,000 from surplus revenue.

STATEMENT SHOWING THE POSITION OF THE PUBLIC WORKS FUND AS AT 31ST MARCH, 1924.

Balance brought forward on 1st April, 1923	£	441,554
<i>Receipts—</i>		
Loan-money: Aid to Public Works and Land Settlement Act, 1922	£	3,000,000
Treasury bills issued in anticipation of loans	£	1,000,000
Transfer from Consolidated Fund, Ordinary Revenue Account, in terms of section 14, Appropriation Act, 1923	£	1,000,000
Other receipts	£	12,473
		<hr/> 5,012,473
		<hr/> 5,454,027
<i>Expenditure—</i>		
Under appropriations	£	3,749,160
Other expenditure	£	6,552
Charges and expenses of raising loans	£	310,292
Treasury bills redeemed	£	500,000
		<hr/> 4,566,004
Balance at 31st March, 1924	£	<hr/> <hr/> £888,023*

* The balance on 31st March, 1924, is made up as follows:—

Cash in Public Account	£	589,417
Investments	£	150,000
Imprests in the hands of officers of Government	£	148,606
		<hr/> £888,023

ELECTRIC SUPPLY ACCOUNT.

The expenditure under appropriation on development of hydro-electric schemes amounted to £812,975, as compared with the sum of £472,874 expended during the previous year, an increase of £340,101. Full details in connection with works in operation and under construction will be furnished later by my colleague the Honourable the Minister of Public Works.

The principal works undertaken were development works in connection with the Mangahao scheme for providing Wellington, Wanganui, and Hawke's Bay districts with hydro-electric power, and extensions at Horahora and Lake Coleridge, both of which schemes at present supply large areas with power. It is expected that current from Mangahao will be available during the present year.

MAIN HIGHWAYS.

Provision has been made for the finance of the Main Highways Board as constituted in terms of the Act of 1922.

The Consolidated Fund estimates provide for the payment of £35,000 to the Main Highways Revenue Account, which has also at credit £249,681, the proceeds of the duty on motor-vehicle tires. In addition, the Main Highways Construction Fund is to receive £200,000 from the Public Works Fund and £300,000 from loan-money.

Legislation empowering local bodies to borrow for main highways purposes is in course of preparation.

IMMIGRATION.

The immigration policy adopted by the Government has been the means of securing a steady flow of new arrivals into the Dominion during the past financial year. The conditions under which assisted passages may be secured are in every way favourable to the migrants, and, as the Imperial and New Zealand Governments are working together, the cost of each migrant to the Dominion is being kept well within bounds.

Immigration of a desirable type of settler or tradesman will assist in the expansion of trade in the primary and secondary products, tending to open up additional markets abroad.

The following extract from the remarks of the Right Hon. L. S. Amery, formerly Chairman of the Overseas Settlement Committee at the Imperial Economic Conference of last year, is of special interest:—

“Migration by Families.—More particularly I should like to lay stress on what I referred to just now in connection with the ex-service free passages—the desirability of making it possible for the man who has a family to go across, because, from the point of view of future citizenship, that is the most valuable element we can send to you. It is true from the point of view of the individual employer a single man is preferred, but from the point of view of development the man who goes with a family of growing children—the citizens, the creators of the wealth of the future—is the most welcome settler. I should like to draw attention to this fact: that New Zealand, in this respect, has agreed with us on assisted-passage schemes very substantially ahead of any other Dominion in the very liberal assistance they give to the man with a family—that is to say, that children up to a certain age go entirely free and the older sons and daughters at a very reduced rate. I think to-day a man with quite a large family can get to New Zealand on practically no more than it takes a man and his wife alone to go to Australia. I should like to press very strongly the importance of that.”

CUSTOMS AND EXCISE.

For the past financial year the Dominion's general prosperity consequent upon the buoyancy of our export trade was reflected in the Customs revenue. Including £123,568 tire-tax credited to the Main Highways Account, the Customs and excise duties totalled £7,361,783, or £361,783 over the estimate. The main items of Customs revenue were,—

	1923-24. £	1922-23. £	Increase. £
Spirits	1,079,784	796,577	283,207
Tobacco, cigars, cigarettes	1,271,135	1,239,212	31,923
Apparel and textiles	1,798,287	1,621,913	176,374
Motor vehicles, tires and parts	770,132	409,535	360,597
Other goods <i>ad valorem</i>	1,940,899	1,662,532	278,367
Primage	417,198	341,087	76,111
Totals	<u>£7,277,435</u>	<u>6,070,856</u>	<u>1,206,579</u>

The values of imports and exports for the past six financial years are as under:—

	Imports. £	Exports. £	Excess of Exports. £
1918-19	26,437,284	32,263,792	5,826,508
1919-20	32,162,029	50,776,650	18,614,621
1920-21	67,463,269	48,219,672	19,243,597*
1921-22	35,986,060	43,794,883	7,808,823
1922-23	37,112,779	45,548,700	8,435,921
1923-24	44,401,756	51,652,606	7,250,850

* Excess of imports.

One of the chief factors has been the firm position of the wool-market, for, while wool no longer holds first place in our exports, it nevertheless is of such importance that fluctuations in wool-values may make all the difference between a favourable or an adverse trade balance.

Customs and excise duties (other than beer duty) for the current financial year are estimated to produce £7,350,000.

The Customs tariff of 1921, since modified to some extent, is, on the whole, working smoothly. On account, however, of the unstable conditions existing in various European countries, it is not possible to gauge definitely the effect of the increased preference granted by the 1921 tariff to goods of Empire origin. The operation of the preference provisions, moreover, does not work out as favourably to British manufacturers as was anticipated, owing to the fact that if only 25 per cent. of the factory or works cost of an article is due

to expenditure on British material and labour it qualifies for preference, even though 75 per cent. of the cost may be of foreign origin. A proposal to increase the preference from 25 to 50 per cent. is under consideration.

The following figures show the values of imports from Empire and foreign sources respectively in 1914 and during the past four years :—

—	1914.	1920.	1921.	1922.	1923.
	£	£	£	£	£
United Kingdom ..	11,257,720	28,554,587	20,832,520	18,296,173	22,532,205
Other British countries ..	5,059,776	15,311,372	10,317,074	7,709,179	9,334,796
Total British Empire ..	16,317,496	43,865,959	31,149,594	26,005,352	31,867,001
Foreign countries ..	5,538,600	17,729,869	11,792,849	9,007,209	11,511,492
Total all countries ..	21,856,096	61,595,828	42,942,443	35,012,561	43,378,493

The embargo against the importation of goods from Germany has been removed. Owing to the dislocation of industrial conditions in that country, due to depreciated currency and other causes, and uncertainty as to what special duties might be imposed on German goods, the amount of such goods imported into the Dominion has not reached large figures. In the year 1923 such imports were valued at £68,915, being 0.16 per cent. of total imports. During the first three months of 1924 German goods imported were valued at £47,009, equal to 0.4 per cent. of total imports during that period.

The conditions governing imports from Germany have recently been modified, but it is too early yet to judge what will be the effect of the alteration.

INLAND REVENUE DEPARTMENT.

LAND-TAX.

Compared with 1922-23 land-tax receipts decreased by £115,040, viz. :—

	£
1922-23	1,541,502
1923-24	1,426,462
Decrease	<u>£115,040</u>

This decrease represents a portion of the anticipated reduction in revenue following the removal of the super-tax, the balance being compensated for by the increased value of land in some of the districts revised under the provisions of the Valuation of Land Act and the collection of a considerable amount of arrears of tax.

INCOME-TAX.

The income-tax receipts compared with the year 1922-23 show a decrease of £50,400, the figures for the respective years being,—

	£
1922-23	3,831,932
1923-24	3,781,532
Decrease	<u>£50,400</u>

This decrease is due to the reduction of 20 per cent. made in the rates of tax. It was expected, however, that the decrease would have been much greater, but the augmented incomes of taxpayers generally, as a result of improved conditions, furnished a compensating factor.

During the recess a Commission was set up to investigate the system of land and income taxation in New Zealand in all its aspects. The Commission, which was composed of eminent business men who had made a special study of the whole question of taxation, furnished an able report, which has been presented to Parliament.

The recommendations of the Commission, and the evidence which was given, will be most useful when framing legislation which deals with taxation both during the present session and in future sessions of Parliament.

STAMP AND DEATH DUTIES.

The net revenue collected under the Stamp Duties, Death Duties, and Amusements-tax Acts was £3,343,781.

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

COMPARATIVE STATEMENT OF STAMP AND DEATH DUTY REVENUE FOR 1922-23 AND 1923-24.

Item.	1922-23.	1923-24.	Increase.	Decrease.
	£	£	£	£
Adhesive stamps ..	72,375	80,488	8,113	..
Duty on instruments ..	537,726	615,659	77,933	..
Death duty ..	1,779,177	1,455,655	..	323,522
Gift duty ..	50,674	61,660	10,986	..
Impressed stamps ..	122,597	135,474	12,877	..
Licenses ..	58,106	58,862	756	..
Bank composition ..	210,577	197,792	..	12,785
Totalizator revenue ..	607,657	618,425	10,768	..
Amusements-tax ..	137,546	115,039	..	22,507
Rates, fines, and miscellaneous	4,856	4,727	..	129
			121,433	358,943
				121,433
Totals ..	3,581,291	3,343,781	..	237,510

The increase derived from duty on instruments indicates increased activity in buying and selling property.

The apparent decrease in the revenue from death duties is explained by the fact that in the previous year, owing to a change in the law making for earlier payment, more than a year's revenue was obtained from this source.

The decrease in amusements-tax is accounted for by the increase in the limit of exempted admissions from 9d. to 1s. This alteration of the law operated during the last seven months of the year.

The estimated receipts for the current year are £3,310,800.

RAILWAYS.

The gross receipts from the Working Railways amounted to £6,984,211, an increase of £256,409 on the previous year's figures. The working-expenses amounted to £5,403,766. The net revenue is therefore £1,580,445, which amount represents a return of £3 16s. 6d. per cent. on the capital cost.

Although there has been a fair increase in the revenue, the amount fell short of the estimate by £15,789, due principally to the miners' strike at Westport during the period September to January.

During the year the Department was confronted with considerable loss owing to heavy floods and slips which occurred in both the North and South Islands.

The improvement in the financial position is the outcome of the savings effected during the year, but the need for exercising rigid economy still remains.

It is still necessary to be conservative in the matter of estimating the revenue for the ensuing year, which I place at £7,100,000, and the expenditure at £6,050,000.

A Commission has been appointed to inquire into and report upon the organization and running of passenger and goods traffic, and matters relating to the mechanical section of the system, as well as to the construction, renewal, and maintenance of the permanent-way. The Government has secured the services of Sir Samuel Fay and Sir Vincent Raven, two British railway experts of high standing, who are at present engaged on an investigation of the railway system of New South Wales under a similar order of reference. It is expected that as a result of their visit to this Dominion these gentlemen will be able to make recommendations which will be of great value to the management of the New Zealand railways and to the public who own and use them.

POST AND TELEGRAPH DEPARTMENT.

The revenue of the Department during the year was £2,681,240. The principal items were—Postages, £1,032,347; telegrams, £700,329; and telephone-exchange receipts, £825,178. Excluding interest charges on capital, the expenditure totalled £2,117,952.

Deposits in the Post Office Savings-bank amounted to £29,598,372, and withdrawals to £29,510,321—an excess of deposits over withdrawals amounting to £88,051. The amount at the credit of 710,157 depositors at the 31st March, excluding interest for the year, was £44,448,444.

Money-orders and postal notes to the total value of £5,239,485 were issued, and the payments on the same account amounted to £4,853,224. War-loan certificates redeemed during the year amounted to £1,293,705, making total redemptions to date of £4,642,779.

Apart from the provision for statutory increases in salaries to lower-paid officers, the estimated expenditure for 1924-25 is practically the same as that voted last year.

The following table shows the staff employed at the end of the financial year as compared with that employed twelve months earlier :—

			31st March, 1923.	31st March, 1924.
Permanent staff	..	..	7,542	7,340
Temporary staff	..	..	395	417
Casual staff	..	..	637	1,246
Totals	..	..	8,574	9,003

The increased total is accounted for by the unusual development in telephone-line construction, which necessitated the engagement of over six hundred additional men during the year. If material is available it is likely that this casual staff will have to be further augmented to meet the many calls for additional telephonic communication.

PENNY POSTAGE.

On the 1st October, 1923, the penny postage was re-established within the Dominion, and to all parts of the British Empire, by the further decrease of one-halfpenny in the letter rates. Opportunity was taken at the same time to make appropriate reductions in rates of postage on other classes of mail-matter. When it is remembered that the cost of concessions in postage brought about by the reductions effected in February and October, 1923, was £600,000 per annum, there is cause for congratulation that revenue from postages last year was only £257,149 less than that derived from the same source in the previous year. With a continuance of prosperity this loss should shortly disappear.

TELEPHONE RATES.

An amended scale of charges was brought into operation on the 1st October last, and the former method of collecting six months' rental in advance was reverted to. This alteration in the method of collection had the effect of inflating the revenue for the financial year, a sum of £825,178 being received, as compared with £595,967 during the previous twelve months, but of this amount £149,000 has to be earned in the current year. Although the present charges are moderate, they are designed to earn interest on the capital outlay.

ABOLITION OF WAR-TAX ON CABLE MESSAGES.

During the year it was decided to abolish, as from the 1st April, 1924, the tax of 2d. imposed since 1915 on all cable messages forwarded from New Zealand. The concession to the public in this instance amounts to approximately £2,200 per annum.

EDUCATION.

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

From Consolidated Fund—		£
Vote, Department of Education	.. ..	2,604,508
Special Acts	.. ..	96,506
Teachers' Superannuation Fund	.. ..	68,000
Primary-education reserves revenue	.. ..	108,071
Secondary-education reserves revenue	.. ..	8,287
Native-schools endowment revenue	.. ..	450
National-endowment revenue	.. ..	77,788
Education loans for buildings	.. ..	295,681
Public Buildings Fire Insurance Fund	.. ..	12,490
		<u>£3,271,781</u>

If to this is added the amount derived by Secondary-school Boards and University College Councils from reserves vested in them—about £78,100—the total expenditure from public sources is approximately £3,349,900, as compared with £3,286,000 in 1922–23.

The total expenditure has grown from £1,233,328 in 1911–12 to £3,271,781 in 1923–24, or an increase of 166 per cent., whilst the total cost of education for the current year is estimated at £3,351,000.

In 1911 the average salary for an adult primary-school teacher was only £160, but the salaries were increased by the 1914 Act, and were subsequently further increased until the average now is £268, or 67 per cent. higher.

In the secondary scale the average salary of principals in 1911 was £464, and that of assistants only £204. First by increasing the capitation grant, and afterwards by providing a Dominion scale of salaries, these averages were increased to £636 and £315, while similar provision has been made for improving the salaries of technical teachers.

The cost of education mounts up as the school population increases and extended use is made of the privileges of free secondary and higher education. While it is a matter for satisfaction that the number of children taking post-primary courses in our high schools is thus increasing, it is a question whether the present system does not tend rather to induce young people to follow a line of education and training that has a bias towards the professional and clerical, to the disadvantage of practical agricultural and industrial pursuits. The Department is giving its attention to this problem with the view of evolving a provision which should give a sound post-primary education to the pupils who do not go on to the University or the professions.

The large sum of £1,993,985 has been expended since 1918–19 in meeting the pressing demand for school buildings, and suitable provision is being made for continued progress in this important connection.

DEFENCE.

The expenditure out of the Consolidated Fund for defence, including ordnance services, aviation, and the maintenance and training of the Territorial Force, for the year ended 31st March, 1924, amounted to £348,632, or £27,722 less than the amount appropriated.

NAVAL DEFENCE.

The expenditure on naval defence for the financial year ended 31st March, 1924, amounted to £374,966, made up as follows:—

Permanent charges—

Naval Defence Act, 1909—H.M.S. “New Zealand”—	£	£
Interest	£78,995	
Repayment of funded debt	10,248	
	<hr/>	89,243

Annual appropriation—

Vote, Naval defence	285,723
	<hr/>
	£374,966

The estimates for the current year have been framed with a view to continuing as far as possible the policy embarked on by the Dominion. The total net expenditure for the Naval defence vote, 1924–25, is estimated at £330,465.

H.M.S. “Chatham” is being relieved by H.M.S. “Dunedin,” a more modern oil-burning cruiser; and provision will require to be made for the entry and training of the young men who eventually will be required to man the second light cruiser.

The sum of £16,500 has been inserted in the estimates for the hire and upkeep of the oiler “Nucula,” which has been provided by the Admiralty, this ship now being a necessity with an oil-burning cruiser on the station. It is also proposed to proceed with the erection, at a cost of £24,000, of two oil-fuel tanks, one of which was approved last year, but on which no money has been expended.

The contribution provided for the naval base at Singapore in 1923–24 was not expended, and, owing to the decision of the Imperial Government to incur no further expenditure on the scheme, an appropriation will not be required this year for the purpose; but if Parliament approves, a similar amount may be applied towards the cost of the second light cruiser recommended by the Admiralty.

WAR EXPENDITURE.

The gross expenditure from vote "War expenses" during the year ended 31st March, 1924, was £370,496, the principal items being £124,217 for the medical treatment of discharged soldiers for war disabilities, £110,808 on account of our liability for transport of troops, £12,182 towards erection of battlefield memorials in war areas, £31,952 towards cost of construction of cemeteries and war graves, £23,070 in connection with repatriation advances and expenses, and £68,267 for other miscellaneous war expenditure. Receipts from sales of surplus stores, medical stores, and other miscellaneous credits totalled £77,531, which with £133,834 received in repayment of repatriation loans left a net expenditure of £159,131 for the year.

The balance of claims from the Imperial Shipping Liquidation for troop-transport charges against New Zealand, amounting to £800,000 net, was recently received. As the result of close examination, these were reduced to approximately £200,000, and a progress-payment of £100,000 was made in March last. The balance is provided for in this year's estimates.

The War Expenses Account will be closed at the end of the present financial year.

REPATRIATION.

Since the 31st December, 1922, the benefits under the Repatriation Act have been restricted to tubercular or other seriously disabled soldiers. Financial assistance paid out to such men during the twelve months ended 31st March, 1924, amounted to £17,379, making the total moneys advanced to soldiers by the Repatriation Department £2,371,831, of which sum £1,956,674 was by way of loan.

The major portion of the work—namely, the collection of loans outstanding—was transferred to the State Advances Office as from the 1st April, 1923, and the total repayments now amount to £1,412,973, being over 72 per cent. of the total loan advances. The complete transfer of this branch to the State Advances Office will be effected this year.

NATIVE TRUST OFFICE.

As the purposes for which the Native Trust Office was established are becoming more widely known among the Maoris they are taking increasing advantage of the facilities afforded to borrow moneys for the improvement of their lands. Last year 438 applications were dealt with, and £85,516 was advanced, making a total of £157,900 to date.

It was found possible during the year just ended to increase by $\frac{1}{2}$ per cent. the rate of interest on moneys held on behalf of beneficiaries, and this has given general satisfaction.

WESTERN SAMOA.

The trade of the Territory again suffered severely owing to the continuance of low prices and little demand for tropical products in the world's markets. One satisfactory feature, however, has been that, notwithstanding this depression, the export of copra during the period was the highest for many years past. It was almost double that of 1920, the total trade figures for which year constituted a record for Western Samoa. Since the beginning of the year prices have steadily risen, and are now satisfactory.

In the circumstances the revenue of the Territory, though well maintained, fell short of the expenditure, which has been much increased on account of extended and improved medical and educational services.

An additional grant of £6,000 is being provided to meet the deficit of 1923–24.

The Administration has decided to offer the Crown Estates in sections by public tender, and it is anticipated that offers will be received for the greater part of the cultivated lands.

COOK ISLANDS AND NIUE.

The expenditure for 1923–24 was £17,446, being less than the amount voted (£18,713) by £1,267. The estimated amount to be voted for the year 1924–25 is

£20,669, the increase over last year's appropriation being accounted for by grants for hospital and education purposes, a new freezing plant, and the installation of wireless systems at Mangaia and Niue.

This year radio-stations will be opened on the islands of Aitutaki and Mangaia, in the Lower Cook Group, and a radio-telephone station will be installed on the Island of Niue. These services will do much to remove the greatest handicap to the development of trade with these isolated communities. The future for trade and revenue is bright.

REVALUATION OF SOLDIER FARMS.

In conformity with the legislation passed last session authorizing the revaluation of soldier farms, a Dominion Revaluation Board was appointed, and twenty-three District Revaluation Committees set up. The duty of the Committees is to inspect and value the farms in their respective districts, and submit their reports to the central Board.

The field-work in some of the smaller districts has been finished, but it will be some time yet before the whole of the necessary inspections and valuations in the larger districts can be finalized.

The Board and the Committee are impressed with the urgent nature of this important work, and everything possible is being done to expedite early completion.

Recommendations are coming to hand, and in many cases mortgages have already been substantially reduced both as regards capital and interest liabilities, and substantial relief has also been afforded in the case of arrears.

It is the policy of the Government to give industrious men every possible chance, and there are already indications of a great improvement in soldiers' settlements.

DISCHARGED SOLDIERS SETTLEMENT.

From the inception of the scheme of the discharged soldiers settlement in 1915 to the end of the financial year advances have been made to discharged soldiers as follows :—

Section 6, Discharged Soldiers Settlement Act, 1915—Advances on Current Account (including £1,345,000 for the erection of buildings on farms)—						£
4,845 returned soldiers	..	..	..	..	..	4,386,000
Section 2, Discharged Soldiers Settlement Amendment Act, 1917—Advances towards purchase of farms, market gardens, orchards, and discharge of mortgages—						
5,498 returned soldiers	..	..	..	..	..	8,905,400
Section 2, Discharged Soldiers Settlement Amendment Act, 1917—Advances towards purchase and erection of dwellings and discharge of mortgages thereon in town and suburban areas—						
11,870 returned soldiers	..	..	..	..	..	8,572,100
22,213 returned soldiers	..	..	..	..	..	£21,863,500

During the period the mortgages have run, receipts from the sale of stock, wool, and other farm-produce, and repayment of loans under the instalment system, amount to £2,965,400. The receipts are 13·56 per cent. of the total capital advanced. The money received has been applied for the purpose of re-advances to purchase stock or improve properties, for loans on Current Account, and also to clear off liabilities contracted early in the year for the erection of dwellings.

The receipts for the year amount to £1,513,544, being the largest amount received to date in any one year. Of this sum £792,268 represents repayment of advances, while receipts in respect of interest and sundries total £721,276.

Arrears outstanding on interest and principal amount to £751,524, while the sum of £30,550 is outstanding as postponed instalments. The arrears of rent amount to £487,100.

In 1923–24 loans were granted to 629 soldiers, amounting to £585,300, of which £391,100 was granted to 507 soldiers for the erection of dwellings. The amount of £194,200 was advanced, principally for new loans on Current Account, to 122 settlers to assist them in improving and stocking their lands. The total expenditure for housing, including liabilities from 1922–23, was £571,000.

A total of £1,196,400 was advanced to soldier settlers during the year; the difference between this figure and the loans authorized is made up mainly of outstanding liabilities in respect of loans authorized during the previous year, and readvances from the Current Account to stock and improve farms, which thus improves the Crown's position. In addition, £21,320 was expended on behalf of mortgagors, and £15,000 in settlement of claims from the previous financial year. Under the regulations the Department handles the bulk of the proceeds from farms, which may be reinvested for the purpose of replacing culled stock and the purchase of such additional stock as may be deemed necessary, as well as effecting further improvements to bring farms up to a more profitable condition. Until farms are fully improved and stocked it is anticipated that sums will be re-advanced as charges on the Current Account for at least two years.

The total amount involved in the settlement of discharged soldiers is as follows :—

Loans raised under the Discharged Soldiers Settlement Act, 1915	£
Advanced from accumulated surpluses	6,569,066
Loans for purchases of estates under Discharged Soldiers Settlement Branch of the Land for Settlements Account	13,500,000
Lands purchased out of the Land for Settlements Account and set aside for discharged soldiers..	3,222,050
Purchases out of the Native Land Settlement Account (approximate)	2,514,000
	750,000
Capital, therefore, provided from all sources for discharged-soldier settlements totals approximately	<u>£26,555,116</u>

STATE ADVANCES OFFICE.

The capital of the State Advances Office was increased by £3,114,750 in 1923–24, and since the 31st March, 1924, a further £2,300,000 has been borrowed, making the total capital of the Department at the 30th June, 1924, to be £24,483,525. 7,292 applicants received loans amounting to £6,205,686 in 1923–24. This constitutes a record since the State Advances Act was passed in 1894, and affords ample evidence of the assistance rendered to settlers and workers.

The Amendment Act of last session authorized loans to workers up to £1,250 and to settlers up to £3,500. To a worker desirous of purchasing a dwellinghouse an advance not exceeding 95 per cent. of the value of the security, in lieu of 75 per cent., was authorized, whilst to a worker electing to purchase a section and erect a dwellinghouse, authority was given to advance not exceeding 95 per cent. of the cost of the land, building, and improvements. Authority was given to advance to settlers 75 per cent. of the value of the security, in lieu of 60 per cent.

The new business for the year was as follows :—		Number.	Amount. £
Loans granted to settlers .. .. .	..	6,194	5,416,987
Loans granted to workers .. .. .	..	3,260	2,204,410
Loans granted to local authorities .. .. .	..	194	444,805
Totals .. .. .	..	9,648	<u>£8,066,202</u>

For the purpose of building houses and acquiring homes a large sum has been advanced during the last five years. The following is a table of the loans authorized from the 1st April, 1919, to the 31st March, 1924 :—

	Number.	Amount. £
For housing purposes—		
To settlers	5,778	3,193,143
To workers	9,037	5,122,944
To release mortgages on house properties—		
To settlers	2,010	1,033,428
To erect workers' dwellings—		
To local authorities .. .. .	..	577,195
Totals	16,825	£9,926,710

For the purpose of assisting borrowers to repay mortgages a considerable sum has been advanced. Since the month of October, 1922, when it was decided to entertain such applications, loans have been granted to 3,549 applicants, amounting to £3,584,205.

Amounts advanced by Department during the following financial years :—

Year ending 31st March,	To Settlers.	To Workers.	To Local Authorities.	Total Advances.
	£	£	£	£
1914	978,395	272,860	324,150	1,575,405
1915	1,136,475	313,025	336,295	1,785,795
1916	814,555	275,680	285,410	1,375,645
1917	589,975	214,965	152,310	957,250
1918	367,160	125,855	128,150	621,165
1919	350,140	87,590	130,575	568,305
1920	808,180	225,055	311,880	1,345,115
1921	1,060,260	660,790	444,825	2,165,875
1922	805,975	407,580	708,410	1,921,965
1923	945,900	724,830	711,375	2,382,105
1924	3,904,150	1,863,331	438,205	6,205,686
Totals	11,761,165	5,171,561	3,971,585	20,904,311

The following advances were made for the three months ended 30th June, 1924 :—

	£
Settlers	561,350
Workers	475,360
Local authorities	69,925
Total	£1,106,635

The temporary investment by the State Advances Office of floating cash balances, which for the time being could not be profitably employed, has been authorized by the different Finance Ministers since 1896. The object is a perfectly sound one. The State Advances Office, having moneys not immediately issuable, temporarily invests them and realizes the securities as cash is required. This is precisely what happened during the war period, when labour and material were not available. The investments outstanding at the end of 1919–20 were, during the period of reconstruction, speedily converted into cash for advances to local authorities, settlers, and workers, and by the end of 1923–24 had been wholly realized. These transactions are in no way connected with the new capital, £2,600,000, provided during 1923–24.

From 1914–15 and onwards a large portion of these temporary investments was held in Imperial securities, the total holding of which in 1917–18 was £1,409,794.

HOUSING.

The housing shortage which has prevailed for some years, particularly in those urban areas where the increase in dwellings has not kept pace with the increase in population, has received the fullest possible consideration. The following indicate the large sums of money that were made available for the erection and purchase of homes during the financial year 1923–24 :—

	Number.	Amount. £
State advances	4,481	3,291,609
Discharged soldiers	714	571,000
Railways	64	46,110
Totals	5,259	<u>£3,908,719</u>

£66,010 was also paid over to forty-one local bodies for housing.

STATEMENT SHOWING STATE ASSISTANCE TOWARDS THE ERECTION AND PURCHASE OF DWELLINGS
FROM THE 1ST APRIL, 1919, TO THE 31ST MARCH, 1924.

	Number of Houses.	Amount. £
State advances*	14,815	8,316,087
Discharged soldiers (urban areas)	11,341	8,253,311
Discharged soldiers (farm properties)	3,863	1,126,000
Railways	276	289,314
Public Works Department (State employees)	164	158,099
To local authorities .. .. .	..	577,195
Totals	30,459	<u>£18,720,006</u>

* Excluding amounts advanced to release mortgages on house property.

In addition, considerable sums, approximating £13,000,000, were advanced by way of mortgage during the same period by Government lending Departments—viz., State Advances, £5,000,000; Public Trustee, £7,000,000; and other lending Departments, £1,000,000—some proportion of which total was required either to complete buildings in course of erection or to purchase others recently erected, the cost of which had been temporarily financed in anticipation of a Government loan.

GOVERNMENT INSURANCE DEPARTMENT (LIFE AND ACCIDENT).

The operations of the Life Branch of this Department during the last year have been most satisfactory. The new business amounted to £1,581,722, and the number of policies in force at the 31st December, 1923, was 60,545, representing a total insurance, with bonus additions, of £17,906,612.

The total income was £814,638, and the excess of income over expenditure is the largest in the history of the Department, amounting to £223,872. At the end of the year the Life Fund stood at £6,222,484.

A favourable position was disclosed as a result of the triennial actuarial valuation as at 31st December. The valuation has not only been made on a most stringent basis, but it has been found possible to declare very markedly increased bonuses, the increase in the main tables being more than 25 per cent. The actuarial basis upon which the Department now stands is more solid than that of the majority of the best private offices, and constitutes a sound guarantee for future progress.

A good year was also experienced by the Accident Branch. The premium income was £35,267, being an increase of £1,920 over the previous year, and the interest income, £6,207, after deducting taxes, establishes a record. Notwithstanding the fact that the claims have been heavier than usual, the funds have increased by £8,020. The Statutory Reserve Fund is now £115,020, and the Accident Funds amount to £29,089, the two together being £144,109.

NATIVE.

During the year 29,560 acres of Native land were purchased for the Crown, at a cost of £206,385. The gross area of Native land acquired by Crown purchase since 1910 is 1,328,283 acres, for which £3,218,576 was paid. The figures comprise land purchased for European lessees, which includes interests in the various Native townships, the purchase-money of which is being recouped by the tenants. This accounts for a higher average cost than usual. The receipts by the Native Land Courts and Maor Land Boards for fees and commission totalled £16,009, as against £13,913 for the previous year.

PUBLIC TRUST OFFICE.

The value of estates and funds actually under the control of the Public Trustee on the 31st March, 1924, was £32,404,724. This represents an increase of £3,499,926 for the financial year.

The new estates accepted for administration during the year numbered 2,739, with assets of a total value of £3,781,155. The administration of 478 of these new estates was completed before 31st March, 1924, while 1,574 others were also closed—the total value being £1,108,254.

The rates of commission were reduced from the 1st April, 1923, and also made inclusive of certain fees previously charged to the estates, and there is no doubt that the volume of new business has been increased as a result.

The investments held on the 31st March, 1924, on behalf of the Common Fund and on behalf of estates and funds, the moneys of which are specially invested, amounted to £19,895,285, made up as follows:—

	£
Mortgages	12,997,242
Local bodies' debentures	5,079,135
Government securities	1,364,543
Land Settlement Finance Act debentures	55,698
Fixed deposits with banks	7,062
Private debentures and shares in companies	4,943
Overdrafts by way of advances to estates and to beneficiaries	315,203
Properties acquired by foreclosure	71,459
	<hr/>
	£19,895,285
	<hr/>

Of this sum the total advances made during the year amounted to £2,198,185, made up as follows:—

	£
Mortgages	1,422,870
Local bodies' debentures	438,745
Government securities	336,570
	<hr/>
	£2,198,185
	<hr/>

AGRICULTURE.

The dry summer to a certain extent reduced the production of grass, cereals, and fodder crops, and as a consequence the output of butter was somewhat affected, but nevertheless the total value of the dairy-produce of all kinds exported during the year was well ahead of that for the previous year, the respective figures being £18,576,474 and £16,207,053. The importance to the country of the dairy industry is well illustrated by the fact of its exportable surplus being valued at over 18½ millions sterling.

The wool-clip for the 1923–24 season was good, and in clean condition, and a marked continuous increase in prices was maintained throughout the series of sales,

the average price for the season being 16d. per pound, against 10½d. for the previous season. The declared value of the wool exported was £15,265,264, as compared with £11,955,567 for the previous period. The greater portion of the whole clip was sold at the local auctions, consequently the proceeds were promptly available to growers.

It is very satisfactory to record a substantial increase in the number of cattle and sheep in the Dominion, and also an addition to the number of pigs. In cattle the increase is almost wholly in the dairy classes, and in sheep largely in the breeding-ewes. In both these directions a further increase may be expected. The health of all live-stock has been good.

Lamb and mutton have realized very satisfactory prices during the year, especially lamb, and the prospects for a continuance of good returns are encouraging. The need of maintaining our export meat at the best standard of quality must never be lost sight of.

Trial shipments of eggs to the London market during the year were successful, and should lead to a development of this trade in the near future.

The quantity and value of the exports of the undermentioned products were as follows, the total value under these headings showing an increase of over six million pounds for the year :—

	Quantity.	Value. £
Beef (frozen and salted)	712,533 cwt.	844,187
Mutton and lamb (carcases)	6,328,871	8,615,619
Other meats (including bacon and pork) .. ..	..	382,249
Tallow	26,358 tons	852,471
Casings	2,755,845 lb.	507,819
Sheep-skins (woolly) and pelts	9,127,383	1,294,855
Hides and skins	999,181	774,125
Rabbit-skins	14,951,746	493,708
Live-stock .. ..	..	106,430
Other miscellaneous items .. ..	..	33,811
Wool (bales)	736,713	15,265,264
Dairy-produce .. ..	..	18,576,474
		<u>£47,747,012</u>

Owing to a reduction in the areas sown, and to unfavourable weather conditions during the growing-period, the production of wheat and oats shows a decrease, and it will be necessary to import wheat and oats to the value of £1,250,000 before next season's harvest is ready.

The quantity of phormium hemp graded during the year shows an increase of nearly 6,000 bales. It is still necessary for millers to give greater attention to the output of fibre of a better and more uniform quality.

The prospects of the fruit industry are improving. The substantial assistance granted to growers by the Government guarantee of a penny per pound net return on fruit exported, and by the help afforded in other directions, has improved the conditions of the industry. The exports for the year were not far short of 150,000 cases, and for the current season will show an increase to over 240,000.

The export of honey is now well established, although the figures for the past year show a decrease, due mainly to unfavourable weather conditions having reduced the season's production.

The prospects of the pastoral, agricultural, and horticultural industries of the Dominion were never better than at present, and this, in conjunction with the high degree of intelligence and industry for which our rural population is noted, give very substantial ground for confidence in the future of the Dominion.

For the purpose of providing young men who intend to follow agricultural and pastoral pursuits with better opportunities for acquiring up-to-date and scientific knowledge by which production may be increased, it is intended to give Government support and assistance to the establishment of at least one, and later on possibly two, agricultural colleges under trained and competent instructors. The necessary equipment will be provided to enable our farmers to compete successfully with other countries which are apparently endeavouring even now to capture the markets of the world so far as agricultural and pastoral products are concerned.

PENSIONS.

The following payments were made during the year ended 31st March, 1924 :—

	£
War pensions	1,306,652
Old-age pensions	765,392*
Widows' pensions	202,364
Miners' pensions	36,060†
Maori War pensions	30,326
Epidemic pensions	32,507
Pensions under Civil Service Act, 1908	21,025
Military pensions under Defence Act, 1909	3,146
Pensions under Judicature Act, 1908	2,889
Police pensions	486
Sundry pensions and annuities	4,374
	<u>£2,405,221</u>

* Includes £33,338 expended from national-endowment revenue.

† Includes £3,499 gold duty collected under Miner's Phthisis Act, 1915.

WAR PENSIONS.

The total of the actual payments made in respect of war pensions to the 31st March, 1924, is £10,139,996.

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

Class of Pension.	Number of Pensions.	Annual Value.	Average Pension.
		£	£
Soldiers (permanent)	6,784	333,946	49
Soldiers (temporary)	7,731	407,847	53
Dependants (temporary)	807*	62,916	78
Widows and guardians of children	1,977†	203,342	103
Other dependants of deceased soldiers	5,867‡	205,075	35
	23,166	£1,213,126	£52

* Covers 1,208 children.

† Covers 2,138 children.

‡ Covers 31 children.

The amended War Pensions Act passed last session provided for a War Pensions Appeal Board and the payment of economic pensions.

Of 300 appeals, 144 were dismissed and 121 upheld, the remainder being in abeyance or otherwise dealt with. There are still some 400 appeals to be disposed of.

In regard to economic pensions, 924 claims were established between the 1st September, 1923, and the 31st March, 1924. These, with the 1,343 cases already in receipt of supplementary pensions when the Act was passed, made a total of 2,267 grants under this head, the annual value of which totalled £132,288.

SUPERANNUATION.

The subsidies and contributions of the three funds for the year were as follows :—

	Subsidies.	Contributions by Employees.
	£	£
Public Service	136,000	228,000
Teachers	68,000	102,000
Railways	125,000	133,000
	<u>£329,000</u>	<u>£463,000</u>

Since the inauguration of the three funds the State has paid in subsidies £2,100,000, while the employees' contributions during the same period amounted to £5,000,000.

The requirements for the current year are: Public Service Fund, £136,000; Railways, £170,000; Teachers', £68,000: total, £374,000.

PUBLIC SERVICE FUND.

The total number of contributors on the 31st March last was 15,021, and the total revenue for the financial year was £475,166, including members' contributions £228,313, interest on investments £110,146, and Government subsidy £136,000, including a special payment of £50,000 in addition to the annual charge of £86,000. The total amount expended during the financial year was £300,489, which comprised retiring and other allowances £240,611, refunds of contributions £53,722, cost of administration £6,156. The total number of allowances existing at the end of the year was 2,356, representing an aggregate annual payment of £251,988. The amount of the total fund invested on the 31st March last was £2,007,766.

GOVERNMENT RAILWAYS FUND.

At the 31st March, 1924, the fund amounted to £671,827, an increase of £87,608 for the year. The receipts were: Contributions, £133,148; interest, £28,565; Government subsidy, £125,000, inclusive of a special payment of £50,000 in addition to the voted amount of £75,000; fines and donations, £437: total, £287,150. The expenditure from the fund amounted to £199,542, including retiring-allowances, amounting to £157,238.

TEACHERS' FUND.

This fund amounted on the 31st January, 1924, to £858,662, an increase of £79,026 for the year. The revenue for the period was £214,190, including contributions £101,632, and interest £48,725. The Government annual subsidy is £68,000. The expenditure for the year amounted to £135,164, including retiring-allowances £112,861, and refund of contributions £19,179.

COST-OF-LIVING BONUS TO ANNUITANTS.

The cost-of-living bonus to Public Service annuitants in receipt of less than £100 per annum involved an expenditure in 1923-24 of £40,019, and you will be asked to make similar provision this year. The present bonus payment of £13 to widows in addition to the annuity of £18 per annum, and also the additional £13 for each child, is being made permanent.

NATIONAL PROVIDENT FUND.

The membership of the fund at the 31st December was 23,200, the contribution income £143,000, the State subsidy on contributions being £36,430. The accumulated fund was £980,000, an increase of £190,000. The sum of £15,000 was paid out during the year in allowances to annuitants and to widows and children. An amount of £40,000 was paid by the State through the fund by way of maternity allowances—£7,000 to contributors and £33,000 to members of approved friendly societies.

LAND-SETTLEMENT.

Approximately 380,636 acres, subdivided in 977 holdings, and comprising practically every class of land, were opened for selection during the past year; whilst, excluding miscellaneous leases, approximately 459,289 acres of Crown, settlement, and national-endowment lands and reserves, subdivided into 942 sections, were taken up during the same period. The miscellaneous leases issued during the same period numbered 1,148 holdings, comprising an area of 59,190 acres. The subdivisions of Mount Pisa Run were all disposed of, and the Teviot sections and runs are open for selection.

At the present time there is an area of about 508,000 acres available for settlement.

Some 12,087 acres were set apart for selection by discharged soldiers during the year. The policy is now, however, to open practically all lands for general application. Proclamations were issued during the year revoking the setting-apart for discharged soldiers of an area of 64,044 acres in order that the lands could be so re-offered.

The principal officers of the Lands Department are at present very fully occupied in connection with the pressing duty of revaluing discharged-soldier settlers' holdings. On the completion of this important work they will again concentrate on the Government's policy of vigorously promoting land-settlement, especially in making adequate provision for the youths who have reached manhood since the conclusion of the war. There are many such who are both capable and desirous of acquiring land and taking an active part in the settlement of their country.

LAND-DRAINAGE.

The various land-reclamation projects under construction have been energetically prosecuted throughout the year, and with the aid of the recently imported excavating machinery much work has been accomplished.

On the Hauraki Plains some 43,000 acres have been reclaimed and settled in small areas. This settlement has been, as a whole, most successful, and is now one of the most prosperous dairying centres in the Dominion. The capital value of the reclaimed portion of the plains to-day is in the vicinity of £2,000,000.

Works on the Rangitaiki area, which comprises some 90,000 acres, are on the verge of completion. The output of dairy-products in this district is steadily increasing.

At Kaitaia, where an area of 20,000 acres of swamp country is under development, the works are well forward.

The Waihi Swamp, 11,000 acres, should be reclaimed within two years. Of the Crown area some 1,700 acres have been or are about to be opened for selection, and the balance, which is particularly low-lying, is being developed with a view to disposal for flax-cultivation.

Extensive exploration surveys of the swamp areas in the vicinity of Hamilton are now in hand, and from the information available it appears that there is a big field for future development in that locality.

IRRIGATION.

The large sum of £95,466 was expended on irrigation-works for the year just ended, and considerable areas of land were brought into intensive cultivation. The localities operated on included, amongst others, Ida Valley, Tarras, Ardgour, Roxburgh, and Manuherikia Valley.

To encourage settlement the rates charged to the farmers are levied on a graduated scale, commencing at a low figure for the first year, and rising to the maximum in the fifth year, the object being to avoid unduly harrassing the settler when the calls upon his capital are greatest *i.e.*, when he is developing the land.

It is proposed to proceed actively with the undertakings now under construction, and other works will be inaugurated as the land relating to schemes already completed is taken up.

As the actual irrigation proceeds the necessity for drainage-works to carry off surplus waters becomes evident, and will be attended to as required. To minimize this work constant propaganda against water waste is being carried on.

KAURI-GUM INDUSTRY.

In 1923-24 a large volume of business has been done in the industry. The Department's sales for the year amounted to £23,000, whilst purchases were made to the amount of £6,500. Buying was carried on only in districts where acute

distress existed and with a view to tiding the diggers over temporary difficulties. As private buyers commenced to operate the Department ceased making purchases for the time being.

DEPARTMENT OF HEALTH.

The subsidies payable to Hospital Boards for 1923-24 were £415,126, the actual amount paid being £412,945. It is estimated that an appropriation of £510,000 will be required for the year 1924-25, about £60,000 of which will be due to the new subsidy rates under the Act of 1923, and to the anticipated increase in proposed capital expenditure. It is expected that the relief to be afforded to the rates by the new subsidy scheme will enable Boards to meet capital expenditure by levy and subsidy rather than by loans.

The net expenditure of the Department from the Consolidated Fund, other than subsidies, was £77,901 less than the amount appropriated. Considerable further savings were effected in the administrative cost of the institutions taken over from the Defence Department, apart from the saving effected by the closing of the Trentham Hospital, while recoveries considerably exceeded the estimates, particularly in regard to the collection of patients' fees. The amount asked for this year is £8,027 less than that appropriated last year.

MINING.

The value of the minerals, other than kauri-gum and coal, produced during 1923 was £1,118,412, as against £903,259 for the previous year, an increase of £215,153, principally due to the increase of £162,182 in the production of gold and silver bullion.

The quantity of coal produced during 1923 was 1,969,834 tons, an advance of 112,015 tons over the production of the previous year.

In the past year 8,678 persons were employed in the metal-mines, coal-mines, and stone-quarries of the Dominion, an increase of 648 over the number employed during the year 1922.

The output of coal from the State collieries for 1923 was 151,403 tons, as against 123,531 tons for 1922, an increase of 27,872 tons. The greater part of this increase is from the James State Mine, which has now reached the productive stage. The indications are that the State coal-mines accounts will show a satisfactory profit.

FREE-OF-INCOME-TAX SECURITIES.

By means of redemptions, conversions, cancellations, and renewals a further reduction has been made in these securities, the amount so reduced in the past financial year being £3,265,355, the total holding now standing at £40,990,645. The amount held in 1921-22 was £51,733,405, so that the substantial reduction of £10,742,760 has been brought about.

The amount paid for the purchase below par of these securities from the public from July, 1922, to 31st March, 1924, was £695,468, showing a net profit of £21,662.

CONTROL OF CREDITS IN AID OF EXPENDITURE.

Last session the Public Revenues Act was amended in the direction of providing that the total amount of receipts applied in aid of the gross expenditure of a vote must be limited by the amount of the estimated receipts shown in the estimates. Previously a Department having an excess of receipts was enabled to utilize them to the full extent, thus exceeding the appropriation made by Parliament. The change has improved parliamentary control, and tends to economy. If Departments fail to realize their estimated receipts, the shortage can only be made good either by reducing expenditure or by obtaining parliamentary authority for the deficiency. As a result, some slight alteration has been made in the form of the estimates of expenditure for the current year, in which the amount of expected credits is shown in reduction of the gross estimated expenditure of each vote. The expenditure of a vote must not exceed the net amount, plus the amount actually realized by the credits-in-aid, but may not exceed the amount so appropriated. This means that Parliament authorizes the appropriation of credits-in-aid up to the amount stated in the annual estimates, and that

expenditure cannot therefore exceed the amount voted, even if credits in excess of the estimate are received.

INSURANCE OF PUBLIC BUILDINGS.

The claims against the Fire Insurance Fund for 1923-24 were £14,018, as against receipts amounting to £12,503, thus reducing the balance of the fund from £46,825 at 1st April, 1923, to £45,310. The fund was established in 1913 for the purpose of the rebuilding or restoration of public buildings destroyed or damaged by fire. The receipts were the annual contribution of £10,000 from the Consolidated Fund, and £2,503 interest credited by the Public Trustee. The large number of fire losses in respect of school buildings accounted for £12,490 of the claims, and only £1,528 was required for other buildings.

DEPARTMENTAL BALANCE-SHEETS.

Owing to the early closing of the session last year a sufficient number of departmental balance-sheets in commercial form was not available for presentation before the House rose. These, however, are being submitted to honourable members this session, and similar accounts for the year ended 31st March, 1924, will be laid before you later.

The publication of these balance-sheets has resulted in improved methods being adopted for the recording of assets and their disposition, and a more clearly defined procedure as regards the charging of expenditure against either capital or revenue. The examination of these accounts has also ensured that no losses are written off unless parliamentary authority is obtained.

This reform is having a marked effect on the control of expenditure, Departments now being faced with the results of their estimates and decisions. Parliament, with these balance-sheets before it, should be in a better position to ensure effective results from the expenditure it authorizes.

PUBLIC DEBT.

	Gross. £	Sinking Funds. £	Net Debt. £
31st March, 1922	219,054,385	10,655,394	208,398,991
31st March, 1923	218,953,324	11,879,256	207,074,068
31st March, 1924	221,616,361	12,974,028	208,642,333

In 1922-23 the net debt showed a decrease of £1,324,923, notwithstanding the fact that £5,234,818 had been borrowed and expended for public works and other purposes. I have pleasure in recording that the operations of the year 1923-24 disclose a somewhat similar result. The sum of £2,679,450 was loaned out of the accumulated surpluses and other accounts to the State Advances Office, and as the securities issued by that Office are charged against the debt an increase is therefore disclosed by the accounts. If, however, this amount is excluded the gross debt shows a decrease of £16,413, added to which sinking-fund contributions and accretions amounting to £1,094,772 reduce the net debt by £1,111,185, although £4,600,000 was borrowed for works and settlement purposes.

The debt operations for the year 1923-24 may be summarized thus :—

	£
Gross debt, 31st March, 1924	221,616,361
Accrued sinking fund	12,974,028
Net debt at 31st March, 1924	208,642,333
Less increase in State Advances debt	2,679,450
Net debt at 31st March, 1924	205,962,883
Net debt at 31st March, 1923	207,074,068
<i>Decrease in net debt for 1923-24, excluding amount borrowed for State Advances purposes ..</i>	<u><u>£1,111,185</u></u>

The amount raised for all purposes, including redemptions, totalled £15,264,502, loans aggregating £12,601,465 being redeemed, £4,656,955 being provided by cash and £7,944,510 by the issue of fresh securities.

The amount of £15,264,502 was raised for the following purposes :—

Public Works Fund—				£
General Purposes Account	..	..	..	4,000,000
Waihou and Ohinemuri Rivers Improvement Account	..	..	..	60,000
Education Loans Account	..	..	..	200
Discharged Soldiers Settlement Account	..	..	..	37,500
Native Land Settlement Account	..	..	..	320,000
State Advances Loan Account	..	..	..	2,600,000*
Hauraki Plains Settlement Account	..	..	..	80,000
Rangitaiki Land Drainage Account	..	..	..	52,000
Swamp Land Drainage Account	..	..	..	63,000
Samoan Loan	..	..	..	8,000
				<hr/>
				7,220,700
For redemption of loans	..	..	..	7,941,080
For charges and expenses of redemptions	..	..	..	102,722
				<hr/>
Total borrowed	..	..	..	<u><u>£15,264,502</u></u>

* Does not include charges and expenses of raising loans.

REDEMPTIONS AND RENEWALS.

The loans which matured during the year amounted to £13,570,015, to which must be added £5,560 matured loans for which debentures had not been presented up to the 31st March, 1923, making a total of £13,575,575. Of this sum, securities amounting to £7,173,675 were redeemed (not including redemption of Imperial funded debt), and £6,397,965 renewed at rates of interest varying from 4 to 5 per cent., leaving £3,935 unrepresented.

In addition to the redemption of securities at maturity—viz., £7,173,675—other securities totalling £5,427,790 were redeemed as under :—

In terms of section 24 of the Finance Act, 1921-22				£
(before maturity)	..	..	..	5,134,826
Funded debt	..	..	..	292,964
				<hr/>
				<u><u>£5,427,790</u></u>

making a total of £12,601,465 paid off from the Loans Redemption Account and surplus revenue, as follows :—

Transfers from—				£
Ordinary Revenue Account	..	..	..	1,367,401
Ordinary Revenue Account (for funded debt)	..	..	..	292,964
Public Works Fund	..	..	..	500,000
Electric Supply Account	..	..	..	31,400
Land for Settlements Account	..	..	..	47,550
Discharged Soldiers Settlement Account	..	..	..	3,100
War Expenses Account	..	..	..	2,212,840
Sinking funds set free	..	..	..	201,700
Debentures redeemed by issue of securities	..	..	..	7,944,510
				<hr/>
				<u><u>£12,601,465</u></u>

SUBDIVISION OF DEBT.

The gross debt at 31st March, 1924, may be subdivided as under :—

Public debt—	£	£
Ordinary debt .. ..	..	117,290,539
Discharged - soldiers settlement (including purchase of es- tates) .. ..	..	9,791,116
War debt .. ..	..	77,434,184
State Advances purposes ..	4,458,122	
State Advances debt (incurred prior to 1913)	12,642,400	
		<u>17,100,522</u>
		<u>£221,616,361</u>

DISTRIBUTION OF DEBT AND ANNUAL CHARGES

The debt at the 31st March, 1924, was held as under :—

Held in—	Amount. £	Gross Annual Charge. £
New Zealand	104,632,868	4,554,057
Australia	2,106,600	86,828
London	114,876,893	4,977,563
	<u>£221,616,361</u>	<u>9,618,448</u>
Annual sinking funds .. ..	..	739,442
Repayment of Imperial funded debt ..	..	307,718
		<u>10,665,608</u>
Total gross charge .. ..	..	10,665,608
Estimated recoveries from trading and other accounts .. ..	..	2,108,111
		<u>£8,557,497</u>
Net annual charge at 31st March, 1924		<u>£8,557,497</u>

WAR DEBT.

By the purchase of free-of-income-tax securities, the application of capital repayments to redemption purposes and Imperial debt repayments, the net war debt shows a reduction during the past three years of £6,279,673. The reductions represent a decrease in the annual interest and sinking-fund charges of £160,276.

Year ended 31st March.	Gross War Debt.	Sinking Fund accrued.	Net War Debt.	Decrease in Net Debt.
1921 ..	81,538,570	2,507,165	79,031,405	..
1922 ..	81,843,543	3,451,107	78,392,436	638,969
1923 ..	80,563,885	4,160,066	76,403,819	1,988,617
1924 ..	77,434,184	4,682,452	72,751,732	3,652,087
				<u>£6,279,673</u>
Total reduction in net war debt ..				<u>£6,279,673</u>

ACCRUED SINKING FUNDS.

The sinking funds accrued are,—					£
Public-debt extinction .. .. .	..	..	..	..	2,961,289
War loans .. .. .	..	..	..	..	4,682,452
Naval defence.. .. .	..	..	..	..	1,017,144
State Advances Office .. .. .	..	..	..	..	1,834,680
State-guaranteed advances— (Lands for Settlement Branch)	..	..	..	..	1,117,328
State-guaranteed advances— (Other branches) .. .. .	..	..	..	..	19,317
Local bodies' loans .. .. .	..	..	..	..	799,601
Old War and Defence Loans .. .. .	..	..	..	..	192,691
New Zealand Loans Act, 1863 .. .. .	..	..	..	..	2,207
State coal-mines .. .. .	..	..	..	..	35,407
Westport Harbour .. .. .	..	..	..	..	303,230
Nauru and Ocean Islands Account .. .. .	..	..	..	..	7,227
Samoa Loan Account .. .. .	..	..	..	..	1,455
					£12,974,028

ASSETS.

The following State assets and capital expenditure may be set off against the debt:—

<i>Interest-bearing—</i>					£
Advances made by Treasury (Schedule I) .. .. .	..	..	..	..	21,964,675
Bank of New Zealand shares, nominal value .. .. .	..	..	..	..	1,500,000
Cash in the Public Account and in the hands of officers of the Government* .. .. .	..	..	..	..	£ 3,264,287
Less liabilities outstanding, 31st March, 1924 .. .. .	..	..	..	..	1,780,503
					1,483,784
Crown lands—Estimated value (including settlement lands, Native lands, and education reserves) .. .. .	..	..	..	..	29,620,060
Electric-power supply and development (capital cost).. .. .	..	..	..	..	2,923,853
Investments of cash balances (Schedule II)* .. .. .	..	..	..	..	6,430,685
Land-drainage schemes .. .. .	..	..	..	..	1,363,900
Nauru and Ocean Islands .. .. .	..	..	..	..	600,000
New Zealand Consols—Investments and cash .. .. .	..	..	..	..	475,992
Railways (capital cost—including unopened lines and assets taken over from provinces) .. .. .	..	..	..	..	48,265,377
Reserve fund securities, at cost .. .. .	..	..	..	..	2,000,000
Sinking funds accrued .. .. .	..	..	..	..	12,974,028
State advances—Mortgages and property held .. .. .	..	..	..	..	22,007,586
State coal-mines .. .. .	..	..	..	..	227,600
Telegraph extension (capital cost) .. .. .	..	..	..	..	6,219,411
Westport Harbour works, dredging-plant, &c.—Estimated value of assets taken over .. .. .	..	..	..	..	800,000
					£158,856,951
<i>Not directly Interest-bearing—</i>					£
Lighthouses, harbour-works, &c. .. .. .	..	..	..	..	1,194,893
Public buildings (including school buildings) .. .. .	..	..	..	..	10,515,970
Recoverable advances (to other Governments and in respect of silver and bronze coin) .. .. .	..	..	..	..	65,598
Samoa Crown Estates—Estimated value (pending complete valuation) of late enemy property taken over in Samoa .. .. .	..	..	..	..	500,000
State forests—Estimated value of forests, reserves, plantations, and nurseries .. .. .	..	..	..	..	37,000,000
Tourist and health resorts .. .. .	..	..	..	..	336,880
					£49,613,341
<i>Indirectly Productive—</i>					£
Development of mining .. .. .	..	..	..	..	882,975
Immigration .. .. .	..	..	..	..	2,689,075
Irrigation and water-supply .. .. .	..	..	..	..	493,217
Lands improvement .. .. .	..	..	..	..	195,505
Roads (including roads on Crown lands) .. .. .	..	..	..	..	16,001,855
Timber-supply, sawmills, &c. .. .. .	..	..	..	..	34,706
Waihou and Ohinemuri Rivers improvement .. .. .	..	..	..	..	380,695
					£20,678,028
Total .. .. .	..	..	..	..	£229,148,320

* Does not include local bodies' deposits funds, sinking funds, Loans Redemption Account, or New Zealand Consols Account.

† Stores and supplies on hand not included.

Advances made by Treasury : Schedule I.

	£
Mining	46,481
Kauri-gum	75,000
Loans to employers for workers' dwellings	3,620
Loans to local bodies (annual interest receivable £85,000, capitalized at 4 per cent.) ..	2,125,000
Samoa (loan)	95,000
Repatriation (advances outstanding 31st March, 1924)	579,674
Discharged soldiers settlement—	
Balance on mortgage	17,805,900
Securities acquired by the Crown and in course of realization	1,234,000
	<hr/>
	19,039,900
	<hr/>
	<u>£21,964,675</u>

Investments of Cash Balances of Public Account : Schedule II.

	£
Ordinary Revenue Account	3,074,337
State Forests Account	144,700
State Coal-mines Account	20,000
Public Works Fund (General Purposes Account)	150,000
Railways Improvement Authorization Act 1914 Account	821,000
Electric-supply Account	1,053,008
Cheviot Estate Account	202,640
General Purposes Relief Account	23,500
Education Loans Account	41,100
War Expenses Account	87,760
Land Assurance Fund Account	73,890
Main Highways Account Revenue Fund	237,000
Land for Settlements Account	100,000
National Endowment Account	75,000
National Endowment Trust Account	7,000
Discharged Soldiers Settlement Account	68,500
Discharged Soldiers Settlement Loans Act 1920 Depreciation Fund Account	211,250
Nauru and Ocean Islands Account	40,000
	<hr/>
	<u>£6,430,685</u>

PUBLIC-DEBT EXTINCTION.

The cost of the public debt is an outstanding problem in every country, especially in those that have war debts, the charges and repayment of which must be met out of revenue. A reduction in the charges of the debt lightens the annual burden and should be coincident with a reduction in taxation.

In Great Britain since the Armistice there have been some very substantial surpluses—viz., £45,700,000 in 1921–22, £101,500,000 in 1922–23, and £48,000,000 in 1923–24. The British Government has steadily adhered to the application of surpluses for debt-reduction. New Zealand being in process of development and therefore a borrowing country, the Government thought it better to use the surpluses for revenue-earning purposes in the way of development rather than for reduction of debt.

It is intended to proceed with the Public Debt Extinction Bill introduced last session, but which was, in view of the great importance of the proposals it contained, held over to afford honourable members ample opportunity to make themselves thoroughly familiar with its provisions.

The Bill proposes to substitute a regular and definite programme for reducing the public debt, instead of continuing to pile up an asset of funds which is not readily available, and which eventually may occasion financial embarrassment.

The safe-keeping of the accrued sinking funds is adequately provided for. They will be preserved intact, but the interest they earn is to be added to other funds available for public-debt reduction, and will be applied annually to that purpose and no other.

There is nothing in the Bill which will prevent the continued application of surplus revenue to debt-reduction purposes for which provision was made in section 24 of the Finance Act of 1921–22.

FUNDED DEBT.

Payments amounting to £1,651,930 have been made during 1923–24 in respect of £27,532,164, loans advanced by the Imperial Government, and which were funded in terms of the agreement dated 6th September, 1922.

The half-yearly payments represent both principal and interest, and the following table shows how the debt has been reduced to £27,098,029 at the 31st March, 1924 :—

Instalment paid.					Interest.	Principal.	Balance of Debt outstanding.
					£	£	£
1st December, 1922	..	..	..	..	684,794	141,171	27,390,993
1st June, 1923	..	..	..	..	681,282	144,683	27,246,310
1st December, 1923	..	..	..	..	677,684	143,281	27,098,029

The sum of £20,000 has been received from the Imperial Government, being proceeds of sale of material when the battle-cruiser H.M.S. “New Zealand” was broken up. As the original funded debt includes an amount of £963,131, part of the Naval Defence loan raised for the purpose of building this battle-cruiser, it is proposed to apply the £20,000 towards reducing the debt. A further sum of £180,000 has been received from the Public Trustee on account of sinking fund on the same loan, so that a total of £200,000 will be utilized for further reduction of the Imperial funded debt. In terms of the agreement the New Zealand Government has the right at any time, on giving three months’ notice, to repay at par any part of the principal. Any such repayment, however, does not affect the amount of the total annual payment of £1,651,930, which continues unchanged until the whole of the principal is repaid, but the outstanding debt is reduced by each repayment.

There is a possibility that I may be able to arrange a reduction in the annual charges as interest rates become easier.

LOANS FALLING DUE.

Loans falling due during the seven years ending with the year 1931, excluding Imperial debt repayments, are,—

Year ending 31st March,					London.	Australia.	New Zealand.	Total.
					£	£	£	£
1925	..	..	..	..	327,000	312,200	11,252,307	11,891,507
1926	..	..	..	..	80,000	18,550	14,144,746	14,243,296
1927	..	..	..	..	3,900	775,100	3,838,480	4,617,480
1928	..	..	..	..	..	185,100	6,086,816	6,271,916
1929	..	..	..	..	13,000	..	9,305,485	9,318,485
1930	..	..	..	..	30,093,779	..	5,545,854	35,639,633
1931	..	..	..	..	..	59,400	7,668,970	7,728,370
					£30,517,679	£1,350,350	£57,842,658	£89,710,687

BANK OF NEW ZEALAND.

The following dividends were received from the Bank of New Zealand during the year 1923–24 :—

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

On the 1st October, 1923, the bank increased its share capital by £1,125,000. In terms of section 12 of the Bank of New Zealand Act, 1920, one-third of the new issue was in preference “B” shares, over which the Government had the first option of purchase.

Authority was obtained in section 8 of the Finance Act, 1923, to purchase 375,000 preference "B" shares at par out of the Consolidated Fund, and part of the accumulated surpluses was used for the purpose. This brings up the total holding of "B" preference shares to 1,000,000, which at present market-price equals a value of approximately £2,600,000. The total amount of cash invested in Bank of New Zealand shares is now £1,250,000, and the Government holdings are,—

	£
500,000 preference "A" shares, nominal value £1	500,000
1,000,000 preference "B" shares, nominal value £1	1,000,000
1,500,000	£1,500,000

If the bank's profits continue at present rates, the total shares "A" and "B" will earn an annual dividend of £162,500—an increase of £50,000 over the dividend paid on the holding prior to the acquisition of the new shares last year.

PUBLIC SERVICE.

For some time past the question of generally extending the fortnightly payment of salaries and wages of State employees to the whole of the Public Service has been under consideration.

This system has already been introduced in several branches of the Service, notably the Government Railways, Post Office, and Government Printing Office, but its extension had to be delayed on account of the increased administrative cost involved. It has now been decided to generally adopt the bi-monthly system, a concession which will doubtless be appreciated by the lower-salaried employees.

STORES CONTROL BOARD.

The total expenditure on stores for the year was, in round figures, £4,080,000. With the exception of a few small lines urgently required, tenders or quotations were invited for the whole of the stores purchased.

The standardization of stores in common use by Departments has been proceeded with, and general contracts for the standardized article or line have been arranged with satisfactory results. It is found that merchants and manufacturers are prepared to quote exceptionally good terms and render the best service to a central authority which can make binding contracts on behalf of the whole of the Government Departments. The Board's effort in this direction has been limited by a continuance of unstable markets, but the policy will be steadily pursued and extended as opportunities arise.

The disposal of surplus and obsolete stores has been reviewed and placed on a much more satisfactory basis. Departments are now required to obtain the Board's authority before effecting a sale. In practically all cases an expert valuation is made, and the Treasury and Audit are advised of the prices fixed.

SHIPPING CHARGES.

The method of shipping material and stores for Government Departments from the United Kingdom has been reviewed and reorganized. As the result of an agreement arrived at with the shipping companies an annual saving in freight charges of about £5,000 has been effected.

It is estimated that the action which is now being taken in connection with the marine insurance cover on such material and stores will further reduce the total cost of imported goods by not less than £2,000 annually.

DISTRICT TREASURY OFFICES.

In accordance with the policy announced in 1920, District Treasury Offices have now been established in Auckland, Christchurch, and Dunedin. The ability to settle claims locally without delay is proving a distinct advantage to the Government and a convenience to the public. A concurrent audit is in operation in these offices.

The establishment of these offices renders it necessary to ask that the imprest for general services should be raised from £100,000 to £150,000. The system

enables prompt payment of accounts locally, and consequently the State receives the usual trade discounts, the volume of which justifies the enlarged cash advance.

The amount of the present imprest was fixed in 1916, when the Treasury Cashier at Wellington was practically the sole imprestee for general payments.

EXCHANGES.

The present cost of transferring money from the United Kingdom to New Zealand is tending to create social and economic difficulties, particularly affecting our producers, who are subject to a heavy impost by the high "selling" rate in London. The set-off in the shape of an easy "buying" rate is of doubtful utility, as it tends to encourage over-importing and to have a detrimental effect upon our secondary industries.

The matter of exchange was considered at the recent Imperial Conference, when the highest experts examined proposals for surmounting the difficulties. The danger of adopting palliatives that, however advantageous they may be temporarily, might lead to other anomalies was recognized, and the Conference adopted the suggestion that the respective countries should establish central or federal banks, and by clearing and co-operation bring about an easing of the position. The traders in Great Britain have recently taken the matter up again, and I shall be glad to assist in any step that will lead to an exploration by the Governments concerned as to the actual causes of the abnormal position now obtaining, upon which experts do not seem to agree.

The Imperial Economic Conference adopted and endorsed the following resolution submitted to them by the Committee on inter-Imperial exchanges: "That, arising as they do from the suspension of an effective gold standard, the difficulties of inter-Imperial exchange will disappear when the currencies of Great Britain and the Dominions affected are again made convertible into gold."

THE IMPERIAL ECONOMIC CONFERENCE.

The Imperial Economic Conference which was held last year, commencing on the 1st October, was of great importance in itself, but the results so far as they have gone have been very disappointing. I am referring particularly to the subject of Empire preference, which was the principal business dealt with on the economic side of the Conference. I do not think any one who has looked into this question can come to any other conclusion than that a well-thought-out scheme of preference as between British countries would be of immense benefit to the whole Empire; and by "preference" I mean a drawing-nearer commercially and industrially of the nations within the Empire for their mutual benefit and advantage, and at the same time the strengthening of Imperial ties. I have no hesitation in saying that with the encouragement given by a reasonable policy of preference, in a comparatively short period the Dominions would be able to produce practically all the commodities which the United Kingdom requires, but which it cannot produce for itself. By such a policy the sparsely peopled territories of the Empire would gradually be brought into use and occupation, and become the homes of numbers of British citizens, who would otherwise be attracted to countries not under the British flag. Other countries could take no exception to such an arrangement, because they are most of them doing something of the sort for themselves. A policy of preference would undoubtedly increase inter-Imperial trade, increase production, and increase the demand for labour. Surely it is in the interest of British citizens to develop trade within the Empire rather than trade without the Empire. I do not say that we should have no dealings with people outside the Empire—that would be absurd; but I do say that the encouragement of our own industries and the development of our own resources should be our first consideration.

THE MORATORIUM.

The effects of the post-war boom have not entirely disappeared. A number of people who bought land at prices beyond its value and left a very large proportion of the purchase-money on mortgage find, now that prices of most of the primary products have fallen somewhat, serious difficulties in paying their way and making ends meet. The problem of enabling such people to regain their financial stability is one not easy of solution, though in many deserving cases where the mortgagor is an industrious and energetic man mortgagees have met the

difficulty by accepting a share of the responsibility and writing off part of the indebtedness. This is the proper thing to do. Unfortunately, there are sometimes faults on both sides, and it becomes impossible to make any arrangement to which both parties will agree. The Government has assisted and will assist struggling settlers wherever it is possible to do so, but it cannot encourage breaches of agreements lawfully entered into. There is some satisfaction, however, in knowing that these difficulties are gradually adjusting themselves and that on the whole production is being well maintained.

The Mortgages Extension Act will cease to operate on the 31st December next. Under this Act the mortgagee can apply to the Supreme Court for exemption from the restrictions on the enforcement of his rights, and the Court, having considered the effect of continuance on the security, the ability or otherwise to redeem, and the question of hardship generally, is empowered to grant relief under special circumstances.

The legislation just introduced will, if passed, have the effect of putting the law the other way about, so that the mortgagor may go to the Supreme Court, and, where he is able to prove to the satisfaction of the Judge in Chambers that actual hardship will otherwise ensue, the Court will be empowered to grant a limited extension. Otherwise the moratorium will be lifted as from the 1st January, 1925.

REDUCTION IN TAXATION.

The all-important question of taxation has continued to receive careful and detailed consideration. In pursuance of the policy the Government has adopted, of gradually reducing taxation as conditions permitted, you will again be asked to approve of further remissions. These will be adjusted in such a manner as to give the greatest relief to all classes of the community, and at the same time to stimulate the productive powers of the Dominion.

On the present basis of taxation the revenue for the current year would probably produce £28,857,620, whilst the expenditure is estimated at £27,505,060, leaving a credit balance of £1,352,560. The remissions granted last year are valued at £1,200,000, and this year, after providing for interest and debt-reduction charges, as well as for the efficient and economical administration of Departments and services, I hope to be able to ask Parliament to reduce the burden of taxation by about £1,000,000, particulars of which will be supplied in the legislation dealing with the subject. I must, however, again remind those who, indifferent as to cost, and unable to say where the money is to come from, clamour in one voice for increased expenditure and a reduction in taxation that they cannot have both. I quite recognize that, as the population grows and the national wealth increases, the expenses of Government, no matter how economically administered, must expand, but that expansion must not be greater than the increase in income. There should be a sufficient margin to ensure safe finance and to provide some contribution towards reducing the dead-weight of our war debt—one of the best means of easing the taxpayer.

PROGRESS OF THE DOMINION.

It is now opportune to review the decade that has just passed and note the progress made by the Dominion. The period covers the Great War, on account of which, both during its continuance and since, the Dominion has passed through greater economic difficulties than ever before in its history.

The position to-day will be seen from Table No. 7, which accompanies this statement. Such progress as is evidenced by the various figures given could not have been achieved without prudent and careful administration.

During the period the population has increased by 18 per cent. The total trade, which per head of population is the highest in the world, increased by £50,271,277, or 110 per cent. Export of wool increased in volume 17 per cent. and in value 35 per cent.; frozen meat, 18 per cent. in volume and 103 per cent. in value; butter, by 236 per cent. in volume and 418 per cent. in value; cheese, by 136 per cent. in volume and 288 per cent. in value. In addition to encouraging the primary industries the Government has not been unmindful of the smaller industries. The exports of apples increased in volume by 295 per cent. and in value by 512 per cent., whilst in the case of honey the increase in volume was 375 per cent., and in value 624 per cent. Every assistance is being given to these producers to establish an export market for their commodities. The total exports for the

year ended 31st March, 1914, were £23,471,246, but for the year ended 31st March, 1924, they were no less than £51,652,606—an increase of £28,181,360, or 120 per cent.

These figures are a tribute to the productivity of New Zealand, and also an indication of the increasing prosperity of its people. The solicitude of the Government is borne out by the greatly increased social services afforded, as evidenced by the expenditure for education and public health, and in free pensions. The salaries and wages of public employees have increased from an average of £162·40 to £245·744.

New Zealand has led in the reintroduction of the penny post, and increased facilities are being provided for every section through the Post and Telegraph Department. There are now 4,174 more miles of telegraph and telephone lines than in 1914, being an increase of 27 per cent. during the period, and telegraph and telephone wire used increased by 156,990 miles, or 127 per cent. In 1914 there were 37,486 telephone subscribers, as compared with 85,031 in 1924—an increase of 47,545, or 127 per cent.

The progressive policy pursued in opening up the country and improving the means of communication is confirmed by the expenditure on roads and bridges, which in 1914 was £353,836, while in 1924 it was £749,737, being an increase of £395,901, or 112 per cent.

During the decade 229 miles of water-races for irrigation purposes have been constructed, representing an increase of 276 per cent. on that in existence in 1914. The area of swamp land drained through the Government drainage operations was increased from 42,220 to 180,335 acres, representing an addition during the period of 138,115 acres, or 327 per cent.

BRITISH EMPIRE EXHIBITION.

The British Empire Exhibition at Wembley, which was opened in May last by His Majesty the King, affords striking proof of the Empire's capacity to become self-supporting without recourse to foreign countries. Some disappointment has been expressed with the exhibits in the New Zealand Court—apparently the Exhibition was opened before the buildings were completed, and before all the Dominion exhibits had arrived. Great improvements have since been effected in our court, and recent visitors have expressed themselves very favourably, especially with regard to the excellence of the display of refrigerated products. The New Zealand Court is now thoroughly representative of our most important industries, and honourable members can rest assured that no effort is being spared to see that New Zealand's display is worthy of the Dominion.

ESTIMATES OF REVENUE, 1924-25.

I estimate the revenue under the main headings of each of the principal Departments at—

	£
Customs	7,350,000
Beer Duty	630,000
Stamp and Death Duties	3,310,800
Post and Telegraph	2,805,000
Land-tax	1,400,000
Income-tax	3,700,000
Railways	7,100,000
Registration and other fees	200,000
Marine	90,920
Interest on public moneys	1,234,000
Local Bodies' Loans Act, 1908, section 76	23,000
Rents of buildings	26,000
Tourist and Health Resorts	45,000
Miscellaneous	215,000
Territorial	197,900
Departmental and other receipts	530,000
	<hr/>
	28,857,620
Less proposed taxation remissions	1,000,000
	<hr/>
Net revenue	<u>£27,857,620</u>

ESTIMATED RESULT FOR THE YEAR.

					£
Revenue	..	..	..	..	27,857,620
Expenditure	..	..	..	..	27,505,060
Leaving for supplementary estimates					£352,560

which, in addition to normal requirements, must cover the increases in pay due to the regrading of public employees' salaries.

RESULTS.

Consolidated Fund—

Ordinary Revenue Account—

					£
Revenue	..	..	..	..	27,960,370
Expenditure	..	..	..	..	26,148,005
Excess of revenue over expenditure					£1,812,365
Estimated revenue	..	..	..	..	£27,969,000
Actual revenue	..	..	..	..	£27,960,370

					£
Revenue greater than in 1922–23 by	..	..	..	..	380,927
Expenditure below that of previous year by	..	..	..	..	115,755
Balance forward at 31st March, 1924	..	..	..	..	4,954,714
No revenue Treasury bills outstanding.					

Transferred from accumulated surpluses to—

Public Works Fund	..	..	..	..	1,000,000
Education Loans Account	..	..	..	..	100,000
Discharged Soldiers' Settlement Depreciation Fund	..	..	..	..	50,000
Loans Redemption Account	..	..	..	..	1,367,341
State Advances Office securities	..	..	..	..	2,326,150

Relief from use of accumulated surplus—

					£
Interest-earning investments produce..	..	..	..	..	775,000
Reduced interest and sinking-fund charges	..	..	..	..	442,000

Total relief to taxpayers £1,217,000

					£
Economy in reduced expenditure since 1922	..	..	..	..	2,318,833
Public Works expenditure	..	..	..	..	3,749,160
Electric-supply expenditure	..	..	..	..	812,975
Savings effected in interest charges through using short-dated bills	..	..	..	..	51,700
Profits on sales of British War-loan stock	..	..	..	..	46,424
Purchase of £250,000 of 4-per-cent. stock at £96, saving	..	..	..	..	60,000
1924 loan of 4½ per cent., £5,000,000 at £95 oversubscribed—low interest-rate compared with other similar loans—					

Purposes—

Public works	..	..	..	..	3,000,000
State advances	..	..	..	..	2,000,000

Immigration system of New Zealand specially favours migration of families.

Customs and excise revenue	..	..	..	..	7,238,215
Increase in Customs revenue over 1922–23	..	..	..	..	1,205,923

					£
Exports	..	..	..	..	51,652,606
Imports	..	..	..	..	44,401,756

Total trade £96,054,362

Excess of exports over imports £7,250,850

Inland revenue—		£
Land-tax	1,426,462	
Income-tax	3,781,532	
Stamp and death duties	3,343,781	
Commission to investigate land and income taxation appointed.		
Working Railways—		£
Receipts	6,984,211	
Working-expenses	5,403,766	
Net revenue	£1,580,445	
Earned on capital cost, £3 16s. 6d. per cent.		
Post and Telegraph—		£
Receipts	2,681,240	
Expenditure	2,117,952	
Excess of receipts	£563,288	
Post Office Savings-bank—		£
Number of depositors, 710,157.		
Amount at credit	44,448,444	
War-loan certificates redeemed	1,293,705	
Penny postage established.		
Abolition of war-tax on cable messages.		
Education expenditure	3,271,781	
Expenditure on school buildings, 1923–24	295,681	
Expenditure on school buildings since 1918–19	1,993,985	
Defence expenditure—		
New Zealand Military Forces	348,632	
War expenses (account to be closed this year)	370,496	
Naval defence expenditure	374,966	
H.M.S. “Dunedin” (oil-burning cruiser) replaces H.M.S. “Chatham.”		
Repatriation—		
Total advances since inception	2,371,831	
Total repayments	1,412,973	
Western Samoa trade figures highest recorded.		
Crown estates offered to public tender.		
Cook Islands and Niue—Wireless extension.		
Discharged soldiers settlement—		
Total advanced in 1923–24	1,196,400	
Expended for housing, including liabilities from 1922–23	571,000	
Receipts	1,513,544	
Total capital provided for soldiers settlement	26,555,116	
State Advances—		
Total number of loans granted, 1923–24	9,648	
Amount	8,066,202	
Granted for repayment of mortgages from October, 1922	3,584,205	
Total advances by Department since 1914	20,904,311	
Housing—		
Paid out, 1923–24—		
	Number.	Amount. £
State advances	4,481	3,291,609
Discharged soldiers	714	571,000
Railways	64	46,110
	5,259	£3,908,719
Total assistance for housing granted from 1st April, 1919, to 31st March, 1924		£ 18,720,006
Other mortgage advances by lending Departments in last five years ..		13,000,000

Government life insurance—		£	
New business		1,581,722	
Total insurance		17,906,612	
Triennial valuation shows sound results.			
Native Department—			
29,560 acres purchased by Crown; cost		206,385	
Public Trust—			
Value of estates and funds at 31st March, 1924		32,404,724	
Value of estates and funds increased by		3,499,926	
Agriculture—			
Value of products exported		47,747,012	
Value of dairy-produce exported		18,576,474	
Value of wool exported		15,265,264	
Satisfactory increase in cattle and sheep reported.			
Pensions—			
Paid in 1923-24		2,405,221	
Annual liability for war pensions		1,213,126	
Economic pensions payable		132,288	
Superannuation,—			
Public Service Fund—			
Revenue		475,166	
Expenditure		300,489	
Funds invested		2,007,766	
Railways—			
Revenue		287,150	
Expenditure		199,542	
Fund.. .. .		671,827	
Teachers—			
Revenue		214,190	
Expenditure		135,164	
Fund.. .. .		858,662	
Total subsidies paid to the three funds		329,000	
National Provident Fund—			
Contributors, 23,200.			
Total fund		980,000	
Maternity allowances paid		40,000	
Land-settlement—			
380,636 acres subdivided into 977 holdings opened for selection.			
459,289 acres subdivided into 942 holdings taken up.			
Health—			
Hospital and charitable-aid subsidies paid		412,945	
Mining—			
Value of minerals produced		1,118,412	
Increase in production of gold and silver bullion of		162,182	
Coal produced, 1,969,834 tons.			
State collieries output, 1923, 151,403 tons.			
Free-of-income-tax securities reduced since 1922 by		10,742,760	
Public debt—			
Gross debt at 31st March, 1924		221,616,361	
Subdivided—		£	
Ordinary		117,290,539	
War		77,434,184	
Discharged soldiers settlement		9,791,116	
State advances		17,100,522	
		221,616,361	
Sinking Funds accrued		12,974,028	
Net debt		£208,642,333	

	£
Loans matured, redeemed, and renewed	12,601,465
Net war debt reduced by	3,652,087
Imperial funded debt, annual payment	1,651,930
Assets of Dominion valued at	229,000,000
Bank of New Zealand—	
Dividend received	112,500
New shares purchased	375,000
Shipping charges : Economies effected.	
District Treasury Offices opened in principal centres.	
Ten years progress of Dominion—	
Increase in—	Per Cent.
Population	18
Total trade	110
Total exports	120
Exports frozen meat (volume)	18
Exports frozen meat (value)	103
Butter (volume)	236
Butter (value)	418
Cheese (volume)	136
Cheese (value)	288
Wool (volume)	17
Wool (value)	35
Telephone subscribers	127
Roads and bridges expenditure	112
Irrigation (miles of water-races)	276
Swamp-drainage areas	327

ESTIMATES AND PROPOSALS, 1924-25.

Consolidated Fund—

Ordinary Revenue Account—

	£
Estimated gross revenue	28,857,620
Less concessions in taxation	1,000,000
Net revenue	27,857,620
Estimated expenditure	27,505,060
Available for supplementary estimates	<u>£352,560</u>

	£
Estimated Customs and Excise	7,350,000
Estimated stamp and death duties	3,310,800
Estimated land and income tax	5,100,000
Preferential tariff amendment to secure greater advantage to British manufacturers.	
Wheat and oats purchases	1,250,000
Acceleration of public works and electric supply on developmental lines.	
Increased activity, electric-supply development.	
Loan for public works.	
Commission of experts to investigate railway system.	
Increased telephone facilities.	
Further provision for school buildings.	
Transfer from surplus revenue to Public Works Fund	1,000,000
Provision for Main Highways Construction Account	500,000
Local bodies to be empowered to borrow for main highways.	
Provision for second oil-burning cruiser.	
War Expenses Account to be closed.	

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

that should be encouraged and must be observed if the character of the people is to be maintained and the country is to prosper as we hope and believe it will. We are now in a fairly good position. With proper management we should be able to retain our prosperity and keep development going for a long time to come. What we have to avoid is an era of extravagance, of which there are already indications; but I hope the good sense of the great mass of the people will be used to prevent any possibility of the earnings of the community being squandered for unnecessary purposes.

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REVENUE FOR THE YEAR ENDED 31ST MARCH, 1924, COMPARED WITH THE YEAR ENDED 31ST MARCH, 1923.

	Year ended 31st March, 1924.	Year ended 31st March, 1923.	Increase.	Decrease.
	£	£	£	£
Customs	7,238,215	6,032,292	1,205,923	..
Beer duty	632,094	612,128	19,966	..
Stamp and death duties	3,343,781	3,581,291	..	237,510
Postal and telegraph	2,681,240	2,705,030	..	23,790
Land-tax	1,426,462	1,541,502	..	115,040
Income-tax	3,781,532	3,831,932	..	50,400
Railways	6,954,469	6,719,864	234,605	..
Registration and other fees	215,321	179,033	36,288	..
Marine	90,934	50,579	40,355	..
Interest on public moneys	645,892	1,302,967	..	657,075
Local Bodies' Loans Act, 1908, sec. 76	22,952	22,575	377	..
Rents of buildings	26,081	20,346	5,735	..
Tourist and Health Resorts	47,103	39,823	7,280	..
Miscellaneous	121,360	93,134	28,226	..
Territorial	222,378	192,186	30,192	..
National-endowment revenue .. .. .	..	95,156	..	95,156
Departmental and other receipts	510,556	559,605	..	49,049
			1,608,947	1,228,020
			1,228,020	..
Totals	27,960,370	27,579,443	380,927	..

Table No. 5.

STATEMENT OF THE ACTUAL EXPENDITURE OF THE CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 1924, COMPARED WITH THE YEAR ENDED 31ST MARCH, 1923.

	Year ended 31st March, 1924.	Year ended 31st March, 1923.	Increase.	Decrease.
	£	£	£	£
Permanent appropriations—				
Civil List	28,920	28,833	87	..
Interest	7,877,597	7,904,260	..	26,663
Sinking Fund	711,709	854,526	..	142,817
Reduction of Funded Debt	292,571	141,171	151,400	..
Under special Acts—				
Advances to other Governments	2,000	22,693	..	20,693
Butter subsidies .. .. .	..	13,161	..	13,161
Education purposes	96,506	90,393	6,113	..
Endowments	4,832	99,229	..	94,397
Miscellaneous	155,886	167,277	..	11,391
Pensions—				
Old-age	732,054	725,039	7,015	..
Widows'	202,364	187,872	14,492	..
Military	30,326	34,110	..	3,784
War	1,306,652	1,471,532	..	164,880
Miners'	32,561	30,876	1,685	..
Various	27,672	31,756	..	4,084
Salaries and honoraria	99,119	96,606	2,513	..
Subsidies paid to Hospital Boards	412,945	429,444	..	16,499
Subsidies paid to local authorities	199,820	206,733	..	6,913
Subsidies to Superannuation Boards	204,000	154,000	50,000	..
Territorial revenue	16,040	16,518	..	478
Transfer to Electric Supply Account .. .. .	..	250,000	..	250,000
Transfer to Westport Harbour Account	17,000	17,885	..	885
	12,450,574	12,973,914	233,305	756,645

Table No. 5—continued.

STATEMENT OF THE ACTUAL EXPENDITURE OF THE CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 1924, COMPARED WITH THE YEAR ENDED 31ST MARCH, 1923—continued.

	Year ended 31st March, 1924.	Year ended 31st March, 1923.	Increase.	Decrease.
—	£	£	£	£
Annual appropriations—				
Legislative Departments	51,603	70,091	..	18,488
Treasury Department	34,077	33,390	687	..
Land and Income Tax Department	51,754	60,268	..	8,514
Stamp Duties Department	67,181	74,851	..	7,670
National Provident and Friendly Societies Department	21,383	19,992	1,391	..
Working Railways	5,153,141	4,946,181	206,960	..
Post and Telegraph working expenses	2,117,952	2,112,543	5,409	..
Public buildings	92,657	77,875	14,782	..
Government domains	4,738	4,470	268	..
Maintenance and improvement of roads	63,158	55,948	7,210	..
Maintenance of irrigation works	2,318	1,345	973	..
Native Department	25,846	25,685	161	..
Department of External Affairs	22,975	19,332	3,643	..
Cook Islands	17,446	19,732	..	2,286
Department of Industries and Commerce	61,818	95,321	..	33,503
Department of Justice	43,802	47,300	..	3,498
Supreme and Magistrates' Courts	90,040	95,315	..	5,275
Prisons Department	78,430	77,301	1,129	..
Crown Law Office	4,021	5,927	..	1,906
Police Department	386,919	377,788	9,131	..
Pensions Department	100,466	122,453	..	21,987
Mines Department	37,661	26,823	10,838	..
Department of Internal Affairs	350,181	344,783	5,398	..
Audit Department	18,930	19,599	..	669
Public Service Commissioner's Office	5,877	7,055	..	1,178
Printing and Stationery	179,238	175,551	3,687	..
Mental Hospitals	253,862	245,206	8,656	..
Department of Health	192,066	233,823	..	41,757
Naval defence	285,723	211,225	74,498	..
Defence	348,632	285,113	63,519	..
Customs Department	105,569	103,352	2,217	..
Marine Department	117,649	117,204	445	..
Department of Labour	39,342	38,096	1,246	..
Department of Lands and Survey	154,923	152,377	2,546	..
Valuation	53,348	36,739	16,609	..
Electoral	8,811	101,320	..	92,509
Agriculture	199,557	208,197	..	8,640
Tourists	60,445	59,647	798	..
Education Department	2,604,508	2,514,991	89,517	..
Services not provided for	189,384	65,637	123,747	..
	13,697,431	13,289,846	655,465	247,880
			888,770	1,004,525
			..	888,770
Total expenditure	26,148,005	26,263,760	..	115,755

Table No. 6.

EXPENDITURE.

COMPARATIVE STATEMENT OF THE APPROPRIATED AND ACTUAL EXPENDITURE OF THE CONSOLIDATED FUND (ORDINARY REVENUE ACCOUNT) FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 1924.

	Appropriated, 1923-24.	Actual, 1923-24.	Difference.	
			More.	Less.
Permanent Charges—	£	£	£	£
Civil List	28,250	28,920	670	..
Interest	7,660,111	7,877,597	217,486	..
Sinking Fund	713,502	711,709	..	1,793
Reduction of funded debt	292,562	292,571	9	..
Under special Acts	3,782,361	3,539,777	..	242,584
	12,476,786	12,450,574	218,165	244,377
Annual Appropriations,—				
Legislative Departments	64,247	51,603	..	12,644
Treasury Department	32,930	34,077	1,147	..
Land and Income Tax Department	54,135	51,754	..	2,381
Stamp Duties Department	80,758	67,181	..	13,577
National Provident and Friendly Societies Department	22,459	21,383	..	1,076
Working Railways	6,050,221	5,153,141	..	897,080
Post and Telegraph working-expenses	2,237,731	2,117,952	..	119,779
Public buildings	100,270	92,657	..	7,613
Government domains	5,612	4,738	..	874
Maintenance and Improvement of roads	80,000	63,158	..	16,842
Maintenance of Irrigation Works	3,000	2,318	..	682
Native Department	30,723	25,846	..	4,877
Department of External Affairs	22,139	22,975	836	..
Cook Islands	18,713	17,446	..	1,267
Department of Industries and Commerce	76,191	61,818	..	14,373
Department of Justice	46,132	43,802	..	2,330
Supreme and Magistrates' Courts	96,758	90,040	..	6,718
Prisons Department	79,077	78,430	..	647
Crown Law Office	5,477	4,021	..	1,456
Police Department	402,426	386,919	..	15,507
Pensions Department	107,602	100,466	..	7,136
Mines Department	41,601	37,661	..	3,940
Department of Internal Affairs	354,804	350,181	..	4,623
Audit Department	23,655	18,930	..	4,725
Public Service Commissioner's Office	7,810	5,877	..	1,933
Printing and Stationery	193,452	179,238	..	14,214
Mental Hospitals	295,606	253,862	..	41,744
Department of Health	269,967	192,066	..	77,901
Naval Defence	339,397	285,723	..	53,674
Defence Department	376,354	348,632	..	27,722
Customs Department	111,607	105,569	..	6,038
Marine Department	122,997	117,649	..	5,348
Department of Labour	39,711	39,342	..	369
Department of Lands and Survey	185,069	154,923	..	30,146
Valuation	53,402	53,348	..	54
Electoral	9,021	8,811	..	210
Agriculture	257,187	199,557	..	57,630
Tourists	67,613	60,445	..	7,168
Education Department	2,640,738	2,604,508	..	36,230
Services not provided for .. .. .	..	189,384	189,384	..
	15,006,592	13,697,431	191,367	1,500,528
			409,532	1,744,905
				409,532
Totals	27,483,378	26,148,005	..	1,335,373

Table No. 7.

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, 1914 and 1924	No.	1,139,671	1,347,754	208,083	18
Total trade	Years ended 31st March, 1914 and 1924	£	45,783,085	96,054,362	50,271,277	110
Imports	Years ended 31st March, 1914 and 1924	£	22,311,839	44,401,756	22,089,917	99
Exports	Years ended 31st March, 1914 and 1924	£	23,471,246	51,652,606	28,181,360	120
Exports of wool	Calendar years 1913 and 1923	lb.	186,533,036	217,566,091	31,033,055	17
		£	8,057,620	10,904,658	2,847,038	35
Exports of frozen meat ..	Calendar years 1913 and 1923	ewt.	2,578,693	3,043,910	465,217	18
		£	4,449,933	9,012,630	4,562,697	103
Exports of butter	Calendar years 1913 and 1923	ewt.	372,258	1,250,140	877,882	236
		£	2,061,651	10,689,200	8,627,549	418
Exports of cheese	Calendar years 1913 and 1923	ewt.	611,663	1,441,460	829,797	136
		£	1,770,297	6,870,397	5,100,100	288
Exports of apples	Calendar years 1913 and 1923	lb.	1,505,443	5,950,739	4,445,296	295
		£	12,160	74,408	62,248	512
Cattle	1911 and 1923	No.	2,020,171	3,480,694	1,460,523	72
Dairy cows	1911 and 1923	No.	633,733	1,248,643	614,910	97
Sheep	1913 and 1923	No.	24,191,810	23,081,439	—1,110,371*	—5*
Pigs	1911 and 1923	No.	348,754	400,889	52,135	15
Hives of bees	1911 and 1921	No.	71,605	85,861	14,256	20
Output of honey	1911 and 1921	lb.	1,457,429	2,807,346	1,349,917	93
Exports of honey	Calendar years 1913 and 1923	lb.	204,669	972,038	767,369	375
		£	3,536	25,585	22,049	624
Industrial manufacture—						
Establishments		No.	3,524	4,259	735	21
Employees		No.	47,631	64,233	16,602	35
Wages paid	Years ended 31st March, 1911 and 1923	£	5,572,270	11,549,146	5,976,876	107
Value of products		£	31,729,002	73,853,423	42,124,421	133
Values of land, buildings, machinery and plant		£	16,731,359	44,219,125	27,487,766	164
Length of telegraph and telephone lines	At 31st March, 1914 and 1924	miles	15,558	19,732	4,174	27
Length of telegraph and telephone wire	At 31st March, 1914 and 1924	miles	123,796	280,786	156,990	127
Telephone subscribers ..	At 31st March, 1914 and 1924	No.	37,486	85,031	47,545	127
Railways	At 31st March, 1914 and 1924	miles	2,854	3,053	199	7
Government expenditure on roads and bridges	Years ended 31st March, 1914 and 1924	£	353,836	749,737	395,901	112
Government water-races for irrigation purposes	At 31st March, 1914 and 1924	miles	83	312	229	276
Area of swamp drained by Government	At 31st March, 1914 and 1924	acres	42,220	180,335	138,115	327

* Decrease.

Table No 8.

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' Superannuation 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	112,378*	68,000	..	361,976	3,214,348	2	9	2
1923-24 ..	96,506	77,788	2,604,508	116,808*	68,000	..	295,681	3,259,291	2	8	11

* Net revenue after deducting expenses and cost of collection.

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
1923-24 ..	12,490

Table No. 9.

STATEMENT of the ESTIMATED LIABILITIES chargeable on the CONSOLIDATED FUND (REVENUE ACCOUNT) outstanding on the 31st MARCH, each Year from 1913 to 1924.

	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.	1923.	1924.
REVENUE ACCOUNT.												
Permanent Appropriations,—												
Civil List	208	238	144	3,200	84	54	24	..	148	232	186	185
Under Special Acts of the Legislature	2,518	14,937	8,615	15,508	1,013	2,351	2,746	4,739	7,168	37,669	27,710	13,667
Pensions .. .. .	..	68	..	73	..	270	312	498	594	413	243	2,756
	2,726	15,233	8,759	18,781	1,097	2,675	3,082	5,237	7,910	38,314	28,139	16,608
Annual Appropriations,—												
Legislative Departments	104	152	247	400	84	956	958	30	1,818	3,856	439	349
Departments of Minister of Finance*	182	593	397	393	1,589	7,708	33,828	10,992	51,929	3,981	3,914	3,744
Working Railways	150,514	136,909	157,575	113,679	129,112	136,976	170,311	262,551	408,363	182,645	195,627	263,254
Post and Telegraph Department	58,832	63,566	79,467	63,474	65,245	81,068	88,463	174,127	125,013	115,335	97,079	114,961
Public Buildings, Docks, Maintenance of Roads, and	3,487	1,719	9,195	6,281	4,964	14,463	11,131	20,400	16,078	11,364	14,644	14,364
Maintenance of Irrigation Works	3,516	6,099	6,156	3,435	5,877	10,227	8,692	8,137	20,885	13,012	14,463	11,498
Justice Department†	12,179	8,884	6,707	7,044	6,863	..	..	1,300	2,455	1,350	1,358	..
Mines Department	62	62	6,847	..	..	..	..	16,115	32,600	59,835	27,211	29,525
Internal Affairs Department‡	10,969	19,065	14,656	10,792	19,572	20,796	33,587	5,637	6,396	..	12,340	28,715
Defence Department§	12,959	7,056	25,369	20,409	7,792	17,292	20,288	2,284	4,082	4,487	3,937	4,027
Customs Department	2,927	1,448	1,234	1,249	3,351	5,144	6,119	..	..	..	..	..
Marine Department .. .. .	..	..	..	..	..	..	..	..	..	..	..	..
Labour Department .. .. .	..	869	466	570	890	1,057	447	362	1,344	2,302	752	961
Lands Department	11,385	4,066	2,625	1,696	1,915	1,105	2,999	829	4,528	5,835	3,123	2,686
Agriculture Department|| .. .. .	10,403	8,420	3,134	6,500	4,060	8,016	50,173	2,061	14,988	50,951	9,393	48,830
Education Department	8,878	2,403	13,862	41,060	20,332	14,196	18,585	4,122	11,616	25,963	22,520	22,200
Valuation and Electoral Departments¶ .. .. .	..	..	..	..	..	..	1,244	1,471	642	2,306	3,052	1,897
	286,397	269,908	327,937	276,982	271,646	319,004	446,825	510,418	702,737	511,478	409,852	547,879
Services not provided for .. .. .	..	..	..	..	..	87	..	..	6	..	..	..
Refunds of Revenue .. .. .	..	..	..	..	..	..	..	..	..	..	8,873	..
Totals	289,123	285,141	336,696	295,763	272,743	321,766	449,907	515,655	710,653	549,792	441,864	564,487

* Includes Treasury, Land and Income Tax, Stamp Duties, and National Provident Fund and Friendly Societies Departments. † Includes Native, External Affairs, Supreme and Magistrates' Courts, Prisons, and Police Departments, and Cook Islands. ‡ Includes Audit, Printing and Stationery, Public Service Commissioner's Office, Mental Hospitals, Pensions, and Health Departments. § Includes Naval Defence. || Includes Industries and Commerce and Tourists Departments. ¶ Previous to 1918-19 Valuation Department was included in Lands Department and Electoral Department was included in Internal Affairs Department.

Table No. 9a.

STATEMENT OF THE ESTIMATED LIABILITIES CHARGEABLE ON THE CONSOLIDATED FUND (REVENUE ACCOUNT) OUTSTANDING ON THE 31ST MARCH, 1924.

REVENUE ACCOUNT.

							£	s.	d.
Permanent Appropriations—									
Civil List ...	...	...	...	...	...	...	185	8	10
Under Special Acts of the Legislature	...	...	...	...	...	...	13,666	18	4
Pensions ...	...	...	...	...	...	...	2,756	6	2
Annual Appropriations—									
Legislative Departments	...	...	...	...	...	...	349	5	0
Treasury Department	...	...	...	...	...	...	919	13	4
Land and Income Tax Department	...	...	...	...	...	...	1,590	0	1
Stamp Duties Department	...	...	...	...	...	...	712	14	8
National Provident and Friendly Societies Department	...	...	...	...	...	...	522	0	0
Working Railways ..	...	...	...	...	...	...	263,254	0	0
Post and Telegraph Working-expenses	...	...	...	...	...	...	114,961	0	0
Public Buildings ...	...	...	...	...	...	...	8,593	0	0
Government Domains	...	...	...	...	...	...	123	0	0
Maintenance and Improvement of Roads	...	...	...	...	...	...	4,478	0	0
Maintenance of Irrigation Works	...	...	...	...	...	...	1,170	0	0
Native Department	...	...	...	...	...	...	250	8	3
Department of External Affairs	...	...	...	...	...	...	25	0	0
Cook Islands	...	...	...	...	...	...	979	0	0
Department of Industries and Commerce	...	...	...	...	...	...	40,735	18	10
Department of Justice	...	...	...	...	...	...	1,740	12	7
Supreme and Magistrates' Courts	...	...	...	...	...	...	1,027	2	5
Prisons Department	...	...	...	...	...	...	4,101	15	11
Police Department...	...	...	...	...	...	...	3,374	8	9
Pensions ...	...	...	...	...	...	...	65	12	6
Mines Department...	...	...	...	...	...	...	868	1	3
Department of Internal Affairs	...	...	...	...	...	...	3,009	16	5
Audit Department	...	...	...	...	...	...	260	10	11
Public Service Commissioner's Office	...	...	...	...	...	...	184	14	8
Printing and Stationery	...	...	...	...	...	...	13,033	10	5
Mental Hospitals	...	...	...	...	...	...	8,176	13	9
Department of Health	...	...	...	...	...	...	4,793	12	2
Naval Defence	...	...	...	...	...	...	22,786	10	5
Defence Department	...	...	...	...	...	...	5,927	18	5
Customs Department	...	...	...	...	...	...	1,150	10	11
Marine Department	...	...	...	...	...	...	2,876	7	1
Department of Labour	...	...	...	...	...	...	961	4	11
Department of Lands and Survey	...	...	...	...	...	...	2,685	16	4
Valuation...	...	...	...	...	...	...	1,873	16	11
Electoral ...	...	...	...	...	...	...	23	3	7
Agriculture	...	...	...	...	...	...	6,344	6	3
Tourists ...	...	...	...	...	...	...	1,749	12	5
Education Department	...	...	...	...	...	...	22,199	17	2
Total	...	...	...	...	...	...	£564,487	9	8

Table No. 10.
STATEMENT of the ESTIMATED LIABILITIES chargeable on the PUBLIC WORKS FUND outstanding on the 31st MARCH, each Year from 1913 to 1924.

	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.	1922.	1923.	1924.
Annual Appropriations—												
Public Works, Departmental	£ 567	£ 106	£ 1,930	£ 710	£ 1,316	£ 691	£ 973	£ 869	£ 818,593	£ 562	£ 513	£ 503
Railways	255,340	287,777	417,718	293,522	233,271	150,492	229,397	240,240	..	456,402	261,910	269,090
Development of Water-power .. .. .	..	..	..	..	..	..	..	..	..	..	..	..
Irrigation and Water-supply .. .. .	..	..	..	..	..	..	..	..	..	..	..	..
Public Buildings	80,910	235,149	175,041	188,640	150,935	117,774	71,646	64,969	112,904	56,944	93,346	11,257
Timber-supply, &c. .. .. .	..	..	..	..	..	..	..	..	..	1,734	141	18,752
Lighthouses, Harbour-works, and Harbour-defences	527	945	133	53	140	56	..	..	49	550	3,918	91
Development of Tourist Resorts	1,791	4,889	1,642	1,217	190	70	4,250	187	2,182	78	493	776
Immigration .. .. .	..	..	..	..	..	..	..	..	..	..	..	..
Roads	162,259	226,115	250,195	174,220	116,564	129,710	156,409	304,313	393,236	211,209	257,731	142,565
Development of Mining .. .. .	..	1,192	500	..	..	..	..	..	..	..	..	..
Telegraph Extension	171,297	235,666	247,114	11,468	..	10,888	15,907	266,273	463,843	385,109	360,027	488,989
Contingent Defence .. .. .	..	55	289	..	113	510	921	..	..	..	..	..
Lands Improvement	1,241	204	399	35	..	..	..	..	..	1,926	1,202	1,166
Plant, Material, and Stores .. .. .	..	..	..	7,801	2,980	13,962	38,621	72,898	138,698	24,498	16,136	5,638
Electric Supply .. .. .	..	..	..	..	..	..	372	..	..	..	..	..
Services not provided for	673,932	992,098	1,094,961	677,666	506,933	424,834	512,256	954,071	1,933,434	1,143,603	998,929	939,692
Totals	673,932	992,098	1,094,961	677,666	506,933	424,834	519,256	954,071	1,933,434	1,143,603	998,929	939,692

Table No. 10a.

STATEMENT OF THE ESTIMATED LIABILITIES CHARGEABLE ON THE PUBLIC WORKS FUND
OUTSTANDING ON THE 31ST MARCH, 1924.

							1924.		
							£	s.	d
Annual Appropriations—									
Public Works, Departmental	..	..	..	..	..	..	503	0	0
Railway-construction	..	..	..	..	..	..	106,064	0	0
Additions to Open Lines	..	..	..	..	..	..	163,026	0	0
Public Buildings, General	..	..	..	..	..	..	4,665	0	0
Courthouses	..	..	..	..	..	..	302	0	0
Prison Buildings and Works	..	..	..	..	..	..	1,961	0	0
Police-stations	..	..	..	..	..	..	962	0	0
Postal and Telegraph	..	..	..	..	..	..	5,673	0	0
Agricultural	..	..	..	..	..	..	78	0	0
Mental Hospital Buildings	..	..	..	..	..	..	3,023	0	0
Hospitals and Charitable Institutions	..	..	..	..	..	..	2,088	0	0
Timber-supply, Sawmills, &c.	..	..	..	..	..	..	865	0	0
Lighthouses	..	..	..	..	..	..	6	0	0
Harbour-works	..	..	..	..	..	..	85	0	0
Development of Tourist Resorts	..	..	..	..	..	..	776	0	0
Roads, &c.	..	..	..	..	..	..	140,782	0	0
Roads on Goldfields	..	..	..	..	..	..	1,783	0	0
Telegraph Extension	..	..	..	..	..	..	488,989	0	0
Lands, Miscellaneous	..	..	..	..	..	..	1,166	0	0
Irrigation and Water-supply	..	..	..	..	..	..	11,257	0	0
Plant, Material and Stores	..	..	..	..	..	..	5,638	0	0
Total	..	..	..	..	..	..	£939,692	0	0

Table No. 11.

STATEMENT showing the Total WAYS and MEANS of the PUBLIC WORKS FUND and the Total Net EXPENDITURE to the 31st MARCH, 1924.

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	..	..	..	5,059,792	0	9			
Aid to Public Works and Land Settlement Act, 1922	..	..	..	3,000,037	8	11			
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			
Treasury Bills outstanding at 31st March, 1924 (issued in anticipation of loan)	..	..	..	500,000	0	0			
							75,075,018	8	6
RECEIPTS IN AID:—									
Amount transferred from Consolidated Fund	..	..	..	12,805,000	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	..	..	..	59,557	14	5			
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			
							13,916,276	7	3
							£88,991,294	15	9

* £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. 11—continued.

STATEMENT showing the Total WAYS and MEANS of the PUBLIC WORKS FUND and the Total Net EXPENDITURE to the 31st MARCH, 1924—continued.

Expenditure on—	NET EXPENDITURE.	£	s.	d.	£	s.	d.
Immigration	2,689,075	7	0			
Public Works, Departmental	2,039,018	14	1			
Railways, including Surveys of New Lines and payment to Midland Railway Bondholders..	44,768,574	15	7			
Roads	14,513,770	19	6			
Land-purchases	2,061,738	9	4			
Development of Mining	882,975	0	11			
Telegraph Extension	6,219,411	2	6			
Public Buildings	9,080,330	17	4			
Lighthouses, Harbour Works and Defences	1,194,892	12	8			
Contingent Defence	1,091,941	18	9			
Rates on Native Lands	68,671	16	10			
Thermal Springs	14,599	13	2			
Development of Tourist Resorts	336,880	5	4			
Lands Improvement	195,505	2	2			
Plant, Material, and Stores	363,142	4	6			
Charges and Expenses of raising Loans	1,801,842	4	4			
Coal-mines	10,835	8	0			
Interest and Sinking Fund	218,500	0	0			
Irrigation and Water-supply	493,217	1	5			
Timber Supply, Sawmills, &c.	34,706	9	2			
Motor Transport Service	28,641	4	11			
					88,103,271	7	6
Balance on 31st March, 1924,—							
Cash in the Public Account	589,417	1	4			
Imprests outstanding	148,606	6	11			
Investment Account	150,000	0	0	888,023	8	3
					£88,991,294	15	9

Table No. 12.

ESTIMATED EXPENDITURE of the ORDINARY REVENUE ACCOUNT for 1924-25, compared with Actual Expenditure for 1923-24.

	Estimate for 1924-25.	Actual for 1923-24.	Differences.	
			Increase.	Decrease.
REVENUE ACCOUNT.				
Permanent Charges,—	£	£	£	£
Civil List	29,600	28,920	680	..
Interest	7,745,097	7,877,597	..	132,500
Sinking Fund	688,442	711,709	..	23,267
Reduction of Funded Debt	307,296	292,571	14,725	..
Under special Acts	3,556,611	3,539,777	16,834	..
	12,327,046	12,450,574	32,239	155,767
Annual Appropriations,—				
Legislative Departments	60,494	51,603	8,891	..
Treasury Department	32,816	34,077	..	1,261
Land and Income Tax Department	50,765	51,754	..	989
Stamp Duties Department	75,837	67,181	8,656	..
National Provident and Friendly Societies Department	22,300	21,383	917	..
Working Railways Department	6,050,000	5,153,141	896,859	..
Post and Telegraph Working Expenses	2,376,618	2,117,952	258,666	..
Public Buildings	111,736	92,657	19,079	..
Government and other Domains	6,134	4,738	1,396	..
Maintenance and Improvement of Roads	45,068	63,158	..	18,090
Maintenance of Irrigation Works	4,000	2,318	1,682	..
Native Department	29,882	25,846	4,036	..
Department of External Affairs	37,732	22,975	14,757	..
Cook Islands	20,669	17,446	3,223	..
Department of Industries and Commerce	84,562	61,818	22,744	..
Department of Justice	46,065	43,802	2,263	..
Supreme and Magistrates' Courts	96,680	90,040	6,640	..
Prisons Department	84,971	78,430	6,541	..
Crown Law Office	5,283	4,021	1,262	..
Police Department	416,962	386,919	30,043	..
Pensions Department	97,354	100,466	..	3,112
Mines Department	41,154	37,661	3,493	..
Department of Internal Affairs	265,470	350,181	..	84,711
Audit Department	25,313	18,930	6,383	..
Public Service Commissioner's Office	8,367	5,877	2,490	..
Printing and Stationery	203,606	179,238	24,368	..
Mental Hospitals	295,620	253,862	41,758	..
Department of Health	261,940	192,066	69,874	..
Naval Defence	330,465	285,723	44,742	..
Defence Department.. .. .	387,923	348,632	39,291	..
Customs Department	112,425	105,569	6,856	..
Marine Department	121,544	117,649	3,895	..
Department of Labour	40,510	39,342	1,168	..
Department of Lands and Survey	173,658	154,923	18,735	..
Scenery Preservation.. .. .	4,580	..	4,580	..
Valuation Department	55,287	53,348	1,939	..
Electoral Department	5,245	8,811	..	3,566
Department of Agriculture	263,717	199,557	64,160	..
Tourist Department	66,440	60,445	5,995	..
Education Department	2,758,822	2,604,508	154,314	..
Services not provided for .. .. .	..	189,384	..	189,384
	15,178,014	13,697,431	1,781,696	301,113
			1,813,935	456,880
			456,880	..
Total expenditure	27,505,060	26,148,005	1,357,055	..

* Previously paid out of Scenery Preservation Account.

Table No. 13.

ESTIMATED REVENUE of the CONSOLIDATED FUND (Ordinary Revenue Account) for 1924-25, compared with the Actual Revenue for 1923-24.

	Estimate for 1924-25.	Actual for 1923-24.	Differences.	
			Increase.	Decrease.
ORDINARY REVENUE ACCOUNT.				
	£	£	£	£
Customs	7,350,000	7,238,215	111,785	..
Beer Duty	630,000	632,094	..	2,094
Stamp and Death Duties	3,310,800	3,348,781	..	32,981
Postal and Telegraph	2,805,000	2,681,240	123,760	..
Land-tax	1,400,000	1,426,462	..	26,462
Income-tax	3,700,000	3,781,532	..	81,532
Railways	7,100,000	6,954,469	145,531	..
Registration and other Fees	200,000	215,321	..	15,321
Marine	90,920	90,934	..	14
Interest on Public Moneys	1,234,000	645,892	588,108	..
Local Bodies' Loans Act, 1908, Section 76	23,000	22,952	48	..
Rents of Buildings	26,000	26,081	..	81
Tourist and Health Resorts	45,000	47,103	..	2,103
Miscellaneous	215,000	121,360	93,640	..
Territorial Revenue	197,900	222,378	..	24,478
Departmental and other Receipts	530,000	510,556	19,444	..
			1,082,316	185,066
			185,066	..
Total	28,857,620	27,960,370	897,250	..

Table No. 14.

STATEMENT showing the Amount charged to "UNAUTHORIZED" in each Financial Year from 1st July, 1875, to 31st March, 1924.

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.	£	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	93,323	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 8	87,302	0 3
1887-88	7,303	17 10	42,104	15 10	49,408	13 8	27,821	16 11	30,407	2 3	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	83,588	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	50,300	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	3,836	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	186,559	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	4 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
1923-1924	189,384	15 11	1,983	3 1	191,367	19 0	33,123	3 1	41,944	10 2	266,435	12 3

Table No. 15.

RETURN OF SUBDIVISIONS OF RURAL FREEHOLDS IN NEW ZEALAND.

		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.
From	To			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
1/4/23-31/3/24		687	1,032	128,690	..	..	..	..	..	..	687	1,032	128,690
Totals	..	11,279	21,031	3,718,843	22	162	20,734	239	2,574	821,211	11,540	23,767	4,560,288
Ordinary Crown land selected under settlement conditions during the twelve years ended the 31st March, 1924											8,918	1,658,805	
Native land vested in the Maori Land Boards disposed of for closer settlement during twelve years ended the 31st March, 1924											458	167,156	
Grand total made available for closer settlement during twelve years ended the 31st March, 1924											33,143	6,386,249	

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. 16.

Statement showing the financial position of the Dominion on the 31st March, 1924, as compared with the 31st March, 1923:—

[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, 1924.]

CONSOLIDATED FUND.—ORDINARY REVENUE ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	..	5,637,090
Liabilities on 31st March, 1923	..	..	..	..	441,864
Balance on 31st March, 1924	..	..	..	..	4,954,714
Liabilities on 31st March, 1924	..	..	..	..	564,487
STATE COAL-MINES ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	30,345	
Unexhausted authority for raising loan	..	..	..	55,000	
					85,345
Liabilities on 31st March, 1923	..	..	..	..	14,540
Balance on 31st March, 1924..	..	..	..	36,739	
Unexhausted authority for raising loan	..	..	..	55,000	
					91,739
Liabilities on 31st March, 1924	..	..	..	..	10,631
STATE COAL-MINES SINKING FUND ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	..	24,980
Liabilities on 31st March, 1923	..	..	..	..	Nil.
Balance on 31st March, 1924..	..	..	..	..	35,407
Liabilities on 31st March, 1924	..	..	..	..	Nil.
SCENERY PRESERVATION ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	4,140	
Unexhausted authority for raising loan	..	..	..	2,000	
					6,140
Liabilities on 31st March, 1923	..	..	..	..	28
Balance on 31st March, 1924..	..	..	..	3,144	
Unexhausted authority for raising loan	..	..	..	Nil.	
					3,144
Liabilities on 31st March, 1924	..	..	..	..	Nil.
NAURU AND OCEAN ISLANDS ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	..	16,395
Liabilities on 31st March, 1923	..	..	..	..	515
Balance on 31st March, 1924..	..	..	..	..	40,754
Liabilities on 31st March, 1924	..	..	..	..	Nil.
NAURU AND OCEAN ISLANDS SINKING FUND ACCOUNT.					£
Balance on 31st March, 1924 ..	..	..	..	..	7,227
PUBLIC WORKS FUND.					£
Balance on 31st March, 1923..	..	..	..	441,554	
Unexhausted authority for raising loan	..	..	..	4,000,920	
					4,442,474
Liabilities on 31st March, 1923	..	..	..	..	998,929
Balance on 31st March, 1924..	..	..	..	888,023	
Unexhausted authority for raising loan	..	..	..	5,000,920	
					5,888,943
Liabilities on 31st March, 1924	..	..	..	..	939,692

Table No. 16. *continued.*

WAIHOU AND OHINEMURI RIVERS IMPROVEMENT ACCOUNT.

	£	£
Balance on 31st March, 1923.. .. .	15,143	
Unexhausted authority for raising loan	124,000	
		139,143
Liabilities on 31st March, 1923 .. .. .	..	11,004
Balance on 31st March, 1924.. .. .	1,661	
Unexhausted authority for raising loan	64,000	
		65,661
Liabilities on 31st March, 1924 .. .. .	..	1,522

ELECTRIC SUPPLY ACCOUNT.

	£	£
Balance on 31st March, 1923.. .. .	1,952,919	
Unexhausted authority for raising loan	6,506,990	
		8,459,909
Liabilities on 31st March, 1923 .. .. .	..	344,075
Balance on 31st March, 1924.. .. .	1,106,174	
Unexhausted authority for raising loan	6,506,990	
		7,613,164
Liabilities on 31st March, 1924 .. .. .	..	37,734

ADVANCES TO OTHER GOVERNMENTS ACCOUNT.

	£
Balance on 31st March, 1923	19,988
Balance on 31st March, 1924	65,216

BANK OF NEW ZEALAND ACCOUNT.

	£
Balance on 31st March, 1923	875,000
Balance on 31st March, 1924	875,000

CHEVIOT ESTATE ACCOUNT.

	£
Balance on 31st March, 1923.. .. .	189,067
Liabilities on 31st March, 1923	393
Balance on 31st March, 1924.. .. .	208,418
Liabilities on 31st March, 1924	Nil.

CONVERSION ACCOUNT.

	£
Balance on 31st March, 1923	6,118
Balance on 31st March, 1924	6,074

DISCHARGED SOLDIERS SETTLEMENT ACCOUNT.

	£	£
Balance on 31st March, 1923.. .. .	355,782	
Unexhausted authority for raising loan	923,120	
		1,278,902
Liabilities on 31st March, 1923 .. .. .	..	Nil.
Balance on 31st March, 1924.. .. .	237,974	
Unexhausted authority for raising loan	885,620	
		1,123,594
Liabilities on 31st March, 1924 .. .. .	..	Nil.

DISCHARGED SOLDIERS SETTLEMENT LOANS ACT 1920 DEPRECIATION FUND ACCOUNT.

	£
Balance on 31st March, 1923.. .. .	155,939
Balance on 31st March, 1924.. .. .	212,644

EDUCATION LOANS ACCOUNT.

	£	£
Balance on 31st March, 1923.. .. .	243,626	
Unexhausted authority for raising loan	2,126,970	
		2,370,596
Liabilities on 31st March, 1923 .. .. .	..	144
Balance on 31st March, 1924.. .. .	48,433	
Unexhausted authority for raising loan	2,126,770	
		2,175,203
Liabilities on 31st March, 1924 .. .. .	..	9,274

Table No. 16—continued.

GENERAL PURPOSES RELIEF ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	..	34,801
Balance on 31st March, 1924..	..	..	..	..	27,597
Liabilities on 31st March, 1924	..	..	..	..	Nil.
HAURAKI PLAINS SETTLEMENT ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	9,049	
Unexhausted authority for raising loan	..	..	..	70,000	
					79,049
Liabilities on 31st March, 1923	..	..	..	..	4,079
Balance on 31st March, 1924..	..	..	..	1,695	
Unexhausted authority for raising loan	..	..	..	40,000	
					41,695
Liabilities on 31st March, 1924	..	..	..	..	2,741
HUNTER SOLDIERS ASSISTANCE TRUST ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	..	1,371
Balance on 31st March, 1924..	..	..	..	..	2,086
KAURI-GUM INDUSTRY ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	2,089	
Unexhausted authority for raising loan	..	..	..	Nil.	
					2,089
Liabilities on 31st March, 1923	..	..	..	..	Nil.
Balance on 31st March, 1924..	..	..	..	6,968	
Unexhausted authority for raising loan	..	..	..	Nil.	
					6,968
Liabilities on 31st March, 1924	..	..	..	..	45
LAND ASSURANCE FUND ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	..	74,231
Balance on 31st March, 1924..	..	..	..	..	80,034
Liabilities on 31st March, 1924	..	..	..	..	Nil.
LAND FOR SETTLEMENTS ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	120,597	
Unexhausted authority for raising loan	..	..	..	500,000	
					620,597
Liabilities on 31st March, 1923	..	..	..	..	5
Balance on 31st March, 1924..	..	..	..	146,799	
Unexhausted authority for raising loan	..	..	..	500,000	
					646,799
Liabilities on 31st March, 1924	..	..	..	..	49
LAND FOR SETTLEMENTS ACCOUNT.					£
(DISCHARGED SOLDIERS SETTLEMENT ACCOUNT.)					£
Balance on 31st March, 1923..	..	..	..	10,725	
Unexhausted authority for raising loan	..	..	..	1,500,000	
					1,510,725
Liabilities on 31st March, 1923	..	..	..	..	826
Balance on 31st March, 1924..	..	..	..	33,199	
Unexhausted authority for raising loan	..	..	..	1,500,000	
					1,533,199
Liabilities on 31st March, 1924	..	..	..	..	136
LAND FOR SETTLEMENTS ACCOUNT.					£
(OPENING UP CROWN LANDS FOR SETTLEMENT.)					£
Balance on 31st March, 1923..	..	..	..	481	
Unexhausted authority for raising loan	..	..	..	250,000	
					250,481
Liabilities on 31st March, 1923	..	..	..	..	83
Balance on 31st March, 1924..	..	..	..	2,174	
Unexhausted authority for raising loan	..	..	..	250,000	
					252,174
Liabilities on 31st March, 1924	..	..	..	..	47

Table No. 16—continued.

LOANS TO EMPLOYERS FOR WORKERS' DWELLINGS ACCOUNT.

	£	£
Balance on 31st March, 1923.. .. .	277	
Unexhausted authority for raising loan	250,000	
	<hr/>	250,277
Balance on 31st March, 1924.. .. .	91	
Unexhausted authority for raising loan	250,000	
	<hr/>	250,091

MAIN HIGHWAYS ACCOUNT.—REVENUE FUND.

	£
Balance on 31st March, 1923.. .. .	121,413
Balance on 31st March, 1924.. .. .	249,681
Liabilities on 31st March, 1924	3

MINING ADVANCES ACCOUNT.

	£	£
Balance on 31st March, 1923.. .. .	2,618	
Unexhausted authority for raising loan	50,000	
	<hr/>	52,618
Liabilities on 31st March, 1923 .. .. .	..	Nil.
Balance on 31st March, 1924.. .. .	11,855	
Unexhausted authority for raising loan	50,000	
	<hr/>	61,855
Liabilities on 31st March, 1924 .. .. .	..	Nil.

NATIONAL ENDOWMENT ACCOUNT.

	£
Balance on 31st March, 1923.. .. .	111,357
Liabilities on 31st March, 1923	187
Balance on 31st March, 1924.. .. .	124,663
Liabilities on 31st March, 1924	Nil.

NATIONAL ENDOWMENT TRUST ACCOUNT.

	£
Balance on 31st March, 1923	1,400
Liabilities on 31st March, 1923	Nil.
Balance on 31st March, 1924.. .. .	10,007
Liabilities on 31st March, 1924	Nil.

NATIVE LAND SETTLEMENT ACCOUNT.

	£	£
Balance on 31st March, 1923.. .. .	30,210	
Unexhausted authority for raising loan	500,000	
	<hr/>	530,210
Liabilities on 31st March, 1923 .. .. .	..	1,880
Balance on 31st March, 1924.. .. .	29,150	
Unexhausted authority for raising loan	500,000	
	<hr/>	529,150
Liabilities on 31st March, 1924 .. .. .	..	1,611

RAILWAYS IMPROVEMENTS AUTHORIZATION ACT 1914 ACCOUNT.

	£	£
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
Balance on 31st March, 1924.. .. .	831,475	
Unexhausted authority for raising loan	1,458,310	
	<hr/>	2,289,785
Liabilities on 31st March, 1924 .. .. .	..	22,529

RANGITAIKI LAND DRAINAGE ACCOUNT.

	£	£
Balance on 31st March, 1923.. .. .	4,892	
Unexhausted authority for raising loan	29,100	
	<hr/>	33,992
Liabilities on 31st March, 1923 .. .. .	..	956
Balance on 31st March, 1924.. .. .	1,148	
Unexhausted authority for raising loan	27,100	
	<hr/>	28,248
Liabilities on 31st March, 1924 .. .. .	..	594

Table No. 16—continued.

RESERVE FUND ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	..	2,000,000
Liabilities on 31st March, 1923	..	..	..	..	Nil.
Balance on 31st March, 1924..	..	..	..	..	2,000,000
Liabilities on 31st March, 1924	..	..	..	..	Nil.
STATE FORESTS ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	179,789	
Unexhausted authority for raising loan	..	..	..	3,225	
					183,014
Liabilities on 31st March, 1923	..	..	..	..	4,032
Balance on 31st March, 1924..	..	..	..	155,614	
Unexhausted authority for raising loan	..	..	..	3,225	
					158,839
Liabilities on 31st March, 1924	..	..	..	..	3,240
SWAMP LAND DRAINAGE ACCOUNT.					£
Balance on 31st March, 1923	..	..	..	3,714	
Unexhausted authority for raising loan	..	..	..	150,000	
					153,714
Liabilities on 31st March, 1923	..	..	..	..	3,409
Balance on 31st March, 1924..	..	..	..	5,860	
Unexhausted authority for raising loan	..	..	..	150,000	
					155,860
Liabilities on 31st March, 1924	..	..	..	..	3,233
WAR EXPENSES ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	2,508,973	
Unexhausted authority for raising loan	..	..	..	4,467,360	
					6,976,333
Liabilities on 31st March, 1923	..	..	..	..	579,976
Balance on 31st March, 1924..	..	..	..	145,881	
Unexhausted authority for raising loan	..	..	..	4,467,360	
					4,613,241
Liabilities on 31st March, 1924	..	..	..	..	182,409
WESTPORT HARBOUR ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	..	Nil.
Liabilities on 31st March, 1923	..	..	..	..	498
Balance on 31st March, 1924..	..	..	..	..	19,408
Liabilities on 31st March, 1924	..	..	..	..	526
NEW ZEALAND CONSOLS ACCOUNT.					£
Balance on 31st March, 1923 ..	..	..	..	..	475,992
Balance on 31st March, 1924 ..	..	..	..	..	475,992
STATE ADVANCES ACCOUNT.					£
Balance on 31st March, 1923..	..	..	..	427,188	
Unexhausted authority for raising loan	..	..	..	5,464,250	
					5,891,438
Liabilities and commitments on 31st March, 1923	..	..	..	..	2,636
Balance on 31st March, 1924..	..	..	..	83,562	
Unexhausted authority for raising loan	..	..	..	7,714,250	
					7,797,812
Liabilities and commitments on 31st March, 1924	..	..	..	..	4,502

Table No. 16—continued.

ADDITIONAL UNEXHAUSTED AUTHORITIES FOR RAISING LOANS, 1924.

Hutt Railway and Road Improvement Acts, 1903, 1905, 1907, and 1910	£
Government Railways Amendment Act, 1910	3,320
Finance Act, 1917, Section 77 (Discharged Soldiers Settlement)	55,470
Main Highways Act, 1922, Section 12	1,000,000
Finance Act, 1921–22, Section 26 (Samoan Loan)	3,000,000
Naval Defence Act, 1909	5,000
Land Laws Amendment Act, 1913 (Waste Lands)	299,400
Government Accident Insurance Act, 1908	1,000,000
State Fire Insurance Act, 1908	23,000
	98,000

Table No. 17.

STATEMENT OF ASSETS HELD, AND CAPITAL EXPENDITURE, AS AGAINST THE PUBLIC DEBT ON THE 31ST MARCH, 1924, TOGETHER WITH SUPPORTING SCHEDULES.

<i>Liabilities.</i>						£	£
Gross public debt—							
Ordinary purposes	..	..	..	..	..	117,290,539	
State advances purposes	..	..	..	..	..	17,100,522	
							134,391,061
War purposes	..	..	..	..	..	77,434,184	
Discharged soldiers settlement purposes (including purchase of estates)	..	..	..	..	..	9,791,116	
							87,225,300
Total	..	..	..	..	..		221,616,361
Less raised for redemption of loans maturing 1924/25	..	..	..	..	..		46,590
							221,569,771
Excess of assets over liabilities	..	..	..	..	..		7,578,549
							£229,148,320
<i>Assets.</i>							
<i>Interest-bearing—</i>							£
Advances made by Treasury (Schedule I)	..	..	..	..	..		21,964,675
Bank of New Zealand shares, nominal value	..	..	..	..	..		1,500,000
Cash in the Public Account and in the hands of officers of the Government*	..	..	..	..	..	£ 3,264,287	
Less liabilities outstanding, 31st March, 1924	..	..	..	..	..	1,780,503	
							1,483,784
Crown lands—Estimated value (including settlement lands, Native lands, and education reserves)	..	..	..	..	..		29,620,060
Electric-power supply and development (capital cost)	..	..	..	..	..		2,923,853
Investments of cash balances (Schedule II)*	..	..	..	..	..		6,430,685
Land-drainage schemes	..	..	..	..	..		1,363,900
Nauru and Ocean Islands	..	..	..	..	..		600,000
New Zealand Consols—Investments and cash	..	..	..	..	..		475,992
Railways (capital cost—including unopened lines and assets taken over from provinces)	..	..	..	..	..		48,265,377
Reserve fund securities, at cost	..	..	..	..	..		2,000,000
Sinking funds accrued (Schedule III)	..	..	..	..	..		12,974,028
State advances—Mortgages and property held	..	..	..	..	..		22,007,586
State coal-mines	..	..	..	..	..		227,600
Telegraph extension (capital cost)	..	..	..	..	..		6,219,411
Westport Harbour works, dredging-plant, &c.—Estimated value of assets taken over	..	..	..	..	..		800,000
							£158,856,951
<i>Not directly Interest-bearing—</i>							£
Lighthouses, harbour-works, &c.	..	..	..	..	..		1,194,893
Public buildings (including school buildings)	..	..	..	..	..		10,515,970
Recoverable advances (to other Governments and in respect of silver and bronze coin)	..	..	..	..	..		65,598
Samoan Crown Estates—Estimated value (pending complete valuation) of late enemy property taken over in Samoa	..	..	..	..	..		500,000
State forests—Estimated value of forests, reserves, plantations, and nurseries†	..	..	..	..	..		37,000,000
Tourist and health resorts	..	..	..	..	..		336,880
							£49,613,341

* Does not include local bodies', deposits funds, sinking funds, Loans Redemption Account, or New Zealand Consols Account.

† Valuation not complete.

Table No. 17—continued.

<i>Assets—continued.</i>								£
<i>Indirectly Productive—</i>								
Development of mining	..	..	..	..	..	..	..	882,975
Immigration	..	..	..	..	..	..	..	2,689,075
Irrigation and water-supply	..	..	..	..	..	..	..	493,217
Lands improvement	..	..	..	..	..	..	..	195,505
Roads (including roads on Crown lands)	..	..	..	..	..	..	..	16,001,855
Timber-supply, sawmills, &c.	..	..	..	..	..	..	..	34,706
Waihou and Ohinemuri Rivers improvement	..	..	..	..	..	..	..	380,695
								<u>£20,678,028</u>
Total	..	..	..	..	..	..	..	<u>*£229,148,320</u>

Advances made by Treasury: Schedule I.

								£
Mining	..	..	..	..	..	..	..	46,481
Kauri-gum	..	..	..	..	..	..	..	75,000
Loans to employers for workers' dwellings	..	..	..	..	..	..	..	3,620
Loans to Local Bodies (annual interest receivable £85,000, capitalized at 4 per cent.)	..	..	..	..	..	..	..	2,125,000
Samoa (loan)	..	..	..	..	..	..	..	95,000
Repatriation (advances outstanding 31st March, 1924)	..	..	..	..	..	..	..	579,674
Discharged soldiers settlement—								£
Balance on mortgage	..	..	..	..	..	..	..	17,805,900
Securities acquired by the Crown and in course of realization	..	..	..	..	..	..	..	1,234,000
								<u>19,039,900</u>
								<u>£21,964,675</u>

Investments of Cash Balances of Public Account: Schedule II.

								£
Ordinary Revenue Account	..	..	..	..	..	..	..	3,074,337
State Forests Account	..	..	..	..	..	..	..	144,700
State Coal-mines Account	..	..	..	..	..	..	..	20,000
Public Works Fund (General Purposes Account)	..	..	..	..	..	..	..	150,000
Railways Improvement Authorization Act 1914 Account	..	..	..	..	..	..	..	821,000
Electric-supply Account	..	..	..	..	..	..	..	1,053,008
Cheviot Estate Account	..	..	..	..	..	..	..	202,640
General Purposes Relief Account	..	..	..	..	..	..	..	23,500
Education Loans Account	..	..	..	..	..	..	..	41,100
War Expenses Account	..	..	..	..	..	..	..	87,760
Land Assurance Fund Account	..	..	..	..	..	..	..	73,890
Main Highways Account Revenue Fund	..	..	..	..	..	..	..	237,000
Land for Settlements Account	..	..	..	..	..	..	..	100,000
National Endowment Account	..	..	..	..	..	..	..	75,000
National Endowment Trust Account	..	..	..	..	..	..	..	7,000
Discharged Soldiers Settlement Account	..	..	..	..	..	..	..	68,500
Discharged Soldiers Settlement Loans Act 1920 Depreciation Fund Account	..	..	..	..	..	..	..	211,250
Nauru and Ocean Islands Account	..	..	..	..	..	..	..	40,000
								<u>£6,430,685</u>

Sinking Funds accrued: Schedule III.

								£
Public Debt Extinction Act, 1910	..	..	..	..	..	..	..	2,961,289
War loans (Finance Act, 1918 (No. 2), section 6)	..	..	..	..	..	..	..	4,682,452
Local Bodies' Loans Act, 1908	..	..	..	..	..	..	..	799,601
Naval Defence Act, 1909	..	..	..	..	..	..	..	1,017,144
War and defence loans	..	..	..	..	..	..	..	192,691
New Zealand Loans Act, 1863	..	..	..	..	..	..	..	2,207
State advances debt	..	..	..	..	..	..	..	1,834,680
State Coal-mines Act, 1908	..	..	..	..	..	..	..	35,407
Westport Harbour loans	..	..	..	..	..	..	..	303,230
State Advances Act, 1913, section 26—								
Land for settlements	..	..	..	..	..	..	..	1,117,328
Native-land settlement	..	..	..	..	..	..	..	11,977
Local authorities	..	..	..	..	..	..	..	6,497
Guaranteed mining advances	..	..	..	..	..	..	..	843
Samoa loan	..	..	..	..	..	..	..	1,455
Nauru and Ocean Islands Sinking Fund Account	..	..	..	..	..	..	..	7,227
								<u>£12,974,028</u>

* Stores and supplies on hand not included in assets.

Table No. 18.

RECEIPTS AND EXPENDITURE OF ACCOUNTS, 1923-24, WITH BALANCES AT 1ST APRIL, 1923,
AND 31ST MARCH, 1924.

Account.	Balance 1st April, 1923.	Receipts.	Expenditure.	Balance 31st March, 1924.	
				In Cash.	In Investments.
	£	£	£	£	£
Consolidated Fund (Ordinary Revenue Account)	5,637,090	30,282,970	30,965,346	1,880,377	3,074,337
State Forests	179,789	312,614	336,789	10,914	144,700
State Coal-mines	30,345	300,039	293,645	16,739	20,000
State Coal-mines Sinking Fund	24,980	10,427	..	407	35,000
Scenery Preservation	4,140	2,224	3,220	3,144	..
Nauru and Ocean Islands	16,394	98,213	73,853	754	40,000
Local Bodies'	9,280	31,406	26,214	14,472	..
Deposits	444,980	1,292,678	1,136,996	152,602	448,060
Public Works (General Purposes)	441,554	5,012,473	4,566,004	738,023	150,000
Waihou and Ohinemuri Rivers Improvement	15,143	62,152	75,634	1,661	..
Electric Supply'	1,952,919	201,289	1,048,034	53,166	1,053,008
Cheviot Estate	189,067	30,236	10,885	5,778	202,640
Land for Settlements	120,597	532,044	505,842	46,799	100,000
Land for Settlements (Discharged Soldiers Settlement)	10,725	46,754	24,280	33,199	..
Land for Settlements (Opening up Crown lands)	481	60,044	58,351	2,174	..
Native Land Settlement	30,210	415,647	416,707	29,150	..
Conversion	6,118	..	44	6,074	..
General Purposes Relief	34,801	2,950	10,154	4,097	23,500
War Expenses	2,508,973	4,043	2,367,135	58,121	87,760
Land Assurance	74,231	5,908	105	6,144	73,890
Westport Harbour .. .. .	..	59,433	40,025	19,408	..
Hauraki Plains Settlement	9,049	102,157	109,511	1,695	..
National Endowment	111,357	133,173	119,867	49,663	75,000
Mining Advances	2,618	12,824	3,587	11,855	..
Loans to Employers for Workers' Dwellings	277	..	186	91	..
Education Loans	243,626	100,488	295,681	7,333	41,100
National Endowment Trust	1,400	8,607	..	3,007	7,000
Bank of New Zealand	875,000	..	..	..	875,000
Reserve Fund	2,000,000	..	..	..	2,000,000
New Zealand Consols	475,992	..	..	7	475,985
Kauri-gum Industry	2,089	22,977	18,098	6,968	..
Loans Redemption	50,020	19,874,077	19,877,507	21,590	25,000
Rangitaiki Land Drainage	4,891	55,564	59,307	1,148	..
Discharged Soldiers Settlement	355,782	1,581,361	1,699,169	169,474	68,500
Discharged Soldiers Settlement Loans Act, 1920, Depreciation Fund	155,939	56,705	..	1,394	211,250
Swamp Land Drainage	3,714	63,166	61,020	5,860	..
Main Highways Revenue Fund	121,413	129,368	1,100	12,681	237,000
Hunter Soldiers Assistance Trust	1,371	759	44	2,086	..
Samoan Loan Suspense .. .. .	..	8,000	8,000	..	..
Advances to other Governments	19,988	232,977	187,749	65,216	..
Nauru and Ocean Islands Sinking Fund .. .. .	..	7,227	..	57	7,170
Railways Improvement	850,530	..	19,054	10,476	821,000
Howard Estate .. .. .	..	750	750	..	..
State Advances Loan Account .. .. .	..	2,600,000	2,600,000	..	..
Silver and Bronze Coinage	Cr. 471	89	..	Cr. 382	..
Totals	17,016,402	63,753,813	67,019,893	3,453,422	10,296,900

NOTE.—The State Advances Account, which is administered directly by the Advances Board, is not included in the above statement. In addition there are the funds of the Government Insurance Department, the State Fire Insurance Department, and the Public Trust Office, which are administered by the Departments concerned.

Table No. 19.

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				<hr/>	13,500,000
1922-23	1,315,683		Discharged Soldiers Settlement Depreciation Fund Account—		
Surplus for financial year			1920-21	50,000	
1923-24	1,812,365		1921-22	50,000	
			1922-23	50,000	
			1923-24	50,000	
				<hr/>	200,000
			Public Works Fund, 1920-21	500,000	
			Public Works Fund, 1923-24	1,000,000	
				<hr/>	1,500,000
			Reserve Fund Securities Account—		
			For purchase of securities,		
			1920-21	1,200,000	
			For redemption of loan,		
			1922-23	800,000	
				<hr/>	2,000,000
			Loans redemption, 1921-22..	560,011	
			Loans redemption, 1922-23..	2,359,960	
			Loans redemption, 1923-24..	1,367,341	
				<hr/>	
				4,287,312	
			Less amount transferred in		
			1922-23 recovered from		
			Native Land Settlement		
			Account in 1923-24 ..	22,600	
				<hr/>	4,264,712
			Education Loans Account, 1923-24 ..		100,000
			Ordinary revenue—		
			To balance revenue and expenditure,		
			1921-22		279,831
			Investments at 31st March, 1924—		
			State Advances securities*	2,326,150	
			Bank of New Zealand shares	375,000	
			Sundry Treasury securities	373,187	
				<hr/>	3,074,337
			Balance at 31st March, 1924 ..		1,880,377
					<hr/>
					£26,799,257

* £2,040,000 for new loan issues 1923-24, and £286,150 for redemptions and charges and expenses of raising loans.