

EXPENDITURE DURING 1896-97.

Turning now to the expenditure side of the account, it will be noticed that a net saving of £22,198 was effected in the estimated expenditure; this saving would have been increased by £26,000 had it not been necessary to assist the Advances to Settlers Office in the payment of interest upon the million-and-a-half loan borrowed for the purpose of making grants to settlers upon mortgage. £1,404 was overspent under special Acts, and £1,908 was paid over to local authorities in excess of the estimate of the amount payable in respect of their endowments. £11,208 was spent in excess of the votes (including £8,313 for Railways), and £3,189 without appropriation. £26,000 was also temporarily paid over to the Advances to Settlers Office, as I have already stated. The amount underspent totals to £65,907. Only two items of the amount underspent call for remark: £11,284, under the head of Interest and Sinking Fund, represents mainly recoveries in connection with the conversion operations under the 3½-per-cent. inscribed stock; £14,693, under the Department of Lands and Survey, represents savings effected in Native and additional surveys, salaries, and equipments.

The usual table of the Estimated and Actual Receipts and Expenditure will be found attached.

Comparing the actual expenditure of 1896-97 with the preceding year's figures, it is found that an additional expenditure of £139,500 has taken place. Interest and sinking fund shows an increase of £25,694, of which £17,500 represents interest at 3½ per cent. upon the half-million of inscribed stock issued for the purchase of a like amount of Bank of New Zealand preferred shares. Under the annual appropriations there is an increase of £114,246; but, eliminating the increased cost of education, which is fixed by Act, and the working expenses of our railways, the increase is only £73,195; and of this sum the services rendered to the public through the Post and Telegraph Department are responsible for £21,324. Extraordinary services—such as the census, £16,400; expenses of the general election, £13,700; cost of licensing polls, £5,500; preliminary expenses connected with the Government valuation of land, £2,000; balance of the cost of the new cable-steamer "Tutanekai," £29,600; expenses connected with the Brunner Mine disaster, £1,000—represent a total of £68,200, which shows that the ordinary services of the departments have been carried on with the greatest economy, and even at less expenditure than in the preceding year.

Statement of the receipts and expenditure of the Revenue Account for the financial year ended 31st March last is subjoined.