

1900.

NEW ZEALAND.

## FINANCIAL STATEMENT

*(In Committee of Supply, 17th August, 1900)*

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

MR. GUINNESS,—

It is with confidence and pardonable pride that I submit my fifth Financial Statement since holding the position of Colonial Treasurer; and in it, as in those preceding it, a very satisfactory condition of affairs is demonstrated.

The results of last year's operations show that the elasticity of our finances was underestimated, and the record surplus of £605,351 exceeded the expectations of the most optimistic of our colonists, which was both to them and to me a most agreeable surprise.

The phenomenal returns from our Railways and Customs clearly establish the increased spending-power of the people, whilst the increases from land and incomes prove the increased value of real estate. They also show that salaries have increased, and that those whose incomes are derived from trade, commerce, and the professions have prospered during the year.

The savings through the under-expenditure of moneys appropriated in the various accounts go to prove there has been a careful administrative supervision, and it is quite consistent with good government that wherever, owing to altered conditions, expenditure of public moneys from the Consolidated Fund can be avoided without injury to the public service, a real and tangible saving is effected.

In this, as in the preceding Statement, it is deemed desirable to adhere solely to finance, or matters closely allied therewith, and to place the financial position and proposals before members in a plain, matter-of-fact, and businesslike form.

I may as well state at this point that an increased amount will be required from the Consolidated Fund, which will perhaps strike members as being unusually large, but this should not take them by surprise. It must be remembered that increased and new charges—such as old-age pensions, £200,000; payment of our contingents, harbour defences, and defence forces, £258,000; contributions to Ottawa and India, £10,000; public health, £5,000; lands and surveys, £140,000—have to be met; and that such increased expenditure is desirable, and in the best interests of the colony. For orphanages and inebriate homes I am also providing a new item of £15,000. The expenditure is necessary, and will provide for a long-felt want.

I am pleased to announce that, notwithstanding the disturbed conditions in China and the war in South Africa, our revenues are more than equal to meet the strain of our increased expenditure; and members will be glad to hear that, after making due provision for the increased charges I have just enumerated, I see my way to fulfil the pledge given that there should be a reduction made by remission of Customs duties on the necessities of life. Details of the proposed reductions will be subsequently disclosed.