

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