

· N · Z · BUILDING · PROGRESS

FINANCIAL SHORT SAIL.

If there had been any dissatisfaction among business people and others regarding the conservative attitude of the banks during the early part of the year, everyone must now feel that this policy was wise, in view of the remarkable disclosures of the banking returns for the March quarter. We need not recapitulate the position, which has been so thoroughly discussed in the daily press, but only remind our readers of the fact that, owing to causes which we have previously discussed, there was a strong demand for credit, and the banks, which a year ago had an excess of deposits over advances of the record total of £18,623,000, completely reversed this position during the year, and ended the March quarter with an excess of advances over deposits of £5,290,610. The Bank of New Zealand seems to have taken the largest share of this heavy load of credit, and this institution is entitled to praise for its efforts to meet the exceptional position. In the ordinary way, the volume of exports leaving the country this season would have quickly righted the balance, but it is useless hiding the fact that we seem only on the fringe of the financial trouble, for the only export in which good values are maintained is dairy produce. This industry is doing for New Zealand what the wheat industry has done for Australia—it is saving the country from financial disaster. There has been some criticism of the Bank of New Zealand in past years for the large amount of capital it carries in London, where there are better opportunities of investment at short call than in New Zealand. This big floating investment of funds in London by the Bank of New Zealand evidently played an important part in getting over the time of stress due to over-importing. If New Zealand gets one-fifth of its former annual income from the current wool clip, it will apparently be fortunate. But such a position means a great gap in the national income, and its effect will be widely distributed. Though the position calls for care, there is certainly no need for panic in such a fine country as New Zealand, with so energetic a working population. Specula-

tion in land will cease, and some of the over-greedy people who have used all their boom income to bring further areas within their grasp, are feeling the pinch worse than any other class in the community. There will not be much sympathy for them.

THE "NEW ZEALAND YEAR BOOK."

After surviving throughout the war period, when paper was almost unprocurable, the "New Zealand Year Book" has begun to show signs of distress. It comes out this year with 400 pages, scarcely half its usual size. Had such a severe cut been made during the war period, it could have been understood, but it seems the veriest nonsense, when supplies of paper are improving and the price is easing, to make such an official exhibition of economy upon a publication of the national importance of the "Year Book." The Dominion is poorly advertised throughout the Empire, and the only comprehensive medium of information available to persons outside the country is this particular publication. New Zealand has remarkable natural advantages, and it is blessed with a population of sound common-sense and some capacity for initiative in Governmental affairs. Therefore its progress is watched by an important, if limited, circle of political students throughout the world, and they must take the "Year Book" as their guide to the position of the Dominion from time to time. The facts given in the "Year Book" are turned to good account in newspaper and magazine articles having a circulation in many parts of the world, thus the "Year Book" may be regarded as a reservoir of publicity, which, if kept well filled, will send out streams of knowledge to the advantage of New Zealand. We hope that the Minister of Internal Affairs, the Hon. W. Downie Stewart—himself a student of affairs who will appreciate the point of view we have put forward—will frown on any attempt to reduce the "Year Book" and that he will encourage its development on wise lines. The publication should be utilised, not only for presentation of national statistics and information relating to local and general government, but it