

it. That amount was ordered to "be paid out of the moneys for the time being standing to the credit of the Public Works Fund," which includes all these several branches. The question now arises, against which of these this £100,000 is to be charged. Upon a careful consideration of the subject, I am inclined to think that it ought to be charged against the Immigration portion of the Loan. The Railways Account is unable to bear it, unless we mean to largely curtail such works. No other of these accounts can bear it, save Immigration; and whilst I am fully alive to the fact that judicious Immigration is our mainstay in making this whole policy successful, I do not think that, at least for some years to come, the charging of this amount to Immigration will reduce that fund below the requirements upon it. Besides, to some extent, it may be said that the opening up of communication throughout the country is paving the way for the successful location of the immigrants to be imported.

The operation of subsidizing Road Boards out of Loan, I do not propose to repeat; for however much I would desire to aid and assist those valuable Local bodies, I believe that even they are alive to the fact that, by getting these aids from Loan, they are merely gaining a temporary benefit at the expense of a constant future taxation.

There is also the item of £10,000 authorized by the Act of last year to be expended generally out of Public Works Account for the prospecting of Coal Fields—a small portion only of which has been spent; and there is in the same Act an indefinite power given to aid the development of Coal Fields from the same account, without charging the sums to be so expended to any definite branch of the Loan Account. As the sums to be expended during the current year will probably not be very large, I propose to leave these meanwhile to go against the balance of Loan unapportioned. It will be necessary hereafter to define the special fund from which the ways and means for such payments shall be provided.

I would now ask the Committee to revert with me to the point where I diverged from the Cash Balance Sheets on the 30th June, 1872. From that point I have now to start afresh to deal with the Estimates of Revenue and Expenditure for the current year. And in reference to these, I shall differ but little from my predecessor, save in a few items. The Committee will remember that the present Government have taken these seats, not on the ground of the impropriety of the policy of their predecessors, but on the ground that those predecessors had failed in the administration of the policy agreed upon. It is, therefore, unnecessary for me to enunciate a general financial policy different from that of my predecessor. My duty will be to carry out the existing policy, subject to such Administrative Reforms as I shall indicate.

THE CONSOLIDATED FUND REVENUE FOR 1872-73

Has, on the whole, been, I think, fairly estimated by my predecessor.

There is a sum of from £8,000 to £10,000 (say £9,000) which will be received from surplus interest on Trust Fund and other accounts in the Colony, not, apparently, taken into account as revenue by my predecessor. As I propose, in the Estimates of Expenditure, to provide, from Consolidated Fund, for the payment of interest on the whole of the Colonial securities, including those held by the Trust Funds, it is only fair to calculate on the surplus interest on those Funds as Revenue. "Incidental Receipts," I therefore increase by £9,000.

With that exception, I accept the Estimates of Revenue of my predecessor; and the Estimated Revenue for 1872-73 will therefore, according to my calculation, be £1,085,000.

I will now state the

PROPOSED EXPENDITURE ON CONSOLIDATED FUND FOR 1872-73.

There are three points under this head in which my proposals vary from those of my predecessor. In the first place, I do not propose to continue the charging of Interest and Sinking Fund on the Immigration and Public Works Loan to the loan itself; giving a grant-in-aid to that fund of one-half of the Stamp Duties, and a further contribution towards interest from the Consolidated Fund. I propose to