

accounts, the sum of £762,312 11s. 3d. Surely, Sir, with such an overflowing Treasury as this, the House will wonder what need there is for any financial difficulty. I shall at once proceed, Sir, to show the House of what this balance chiefly consists.

To the credit of the Consolidated Fund there was £105,563 7s. 8d.; to the credit of the Land Fund, £544,548 11s. 6d. I shall now lay before the House a full statement of cash balances in hands of bankers on the day to which I have referred, also a similar statement, for comparison, of the 16th instant, with the amounts of the balances of each one of the numerous departmental accounts.

THE LAND FUND—ITS PRESENT POSITION.

The whole of the Land Fund is appropriated by special enactment. The Government has no power, however large in any one year that fund may become, to touch one shilling of it for any purpose whatever beyond that amount which the law places at its disposal. The whole of the residue is to be distributed in certain defined proportions to the Counties of the respective Provincial Districts in which it is raised. An accumulated and excessive Land Fund, under the present laws of this Colony, can never be used by the Government, even temporarily, in aid of a deficient Colonial Treasury. The Land Sales this year, I feel pleasure in saying, will be largely in excess of the sum estimated by the late Government. Their estimate was £743,000. To September 30th, there had actually been paid into the Treasury the sum of £542,231 19s. 4d. I do not mean to say that I anticipate four times that sum as the Land Revenue for the year, but I think it is quite reasonable to suppose that the respectable total of one million will be realized. After paying all subsidies to Municipalities, Road Boards, &c., as provided by law, the residue, however large, has to be paid to the County Councils.

I beg to call the attention of the House to the fact that, while the Land Fund receipts have on the whole been largely in excess of the estimate, that excess has entirely arisen from the large sums realized in the Provincial District of Canterbury, while in the other Provincial Districts the amount realized has been much under the estimate.

PROPOSALS REGARDING FUTURE DISPOSITION OF THE LAND FUND.

Sir, although the Land Revenue has nominally been regarded and treated as Provincial Revenue, yet, in point of fact and actually, it has, by various enactments during the past few years, been gradually encroached upon and absorbed to such an extent that, in reality, the idea that a large proportion is available for localization is a delusion, only calculated to mislead the minds of the people as to the real position of affairs—such proportion not being for the most part derived from actual land sales, but from Treasury Bills. Under such circumstances, it is desirable that the subject should be placed upon a more certain and satisfactory footing: with which view, and for the purpose of simplifying the Public Accounts, we propose to do openly and straightforwardly that which our predecessors in office have hitherto been doing indirectly and disingenuously. Sir, we mean to make the Land Fund Colonial Revenue, subject to all the obligations which the Colony has undertaken in respect thereof, such as cost of administration, cost of survey, immigration, interest on Provincial Loans, and so forth. It is our intention, however, that 20 per cent. of the Land Revenue shall be localized by law for the