

1882.  
NEW ZEALAND.

SPECIAL TAXING FOR PUBLIC WORKS COMMITTEE

(REPORT OF, TOGETHER WITH MINUTES OF PROCEEDINGS AND APPENDIX).

*Brought up 5th September, 1882, and ordered to be printed.*

ORDERS OF REFERENCE.

*Extracts from the Journals of the House of Representatives.*

FRIDAY, THE 18TH DAY OF AUGUST, 1882.

*Resolved*, "That the principle of specially taxing property increased in value by the construction, with public money, of railways, roads, bridges, harbour, and other public works is just.

"That to give effect to the principle by legislation, so as to do substantial justice, is beset with great difficulties.

"That it be referred to a Select Committee to consider the subject and report thereon. The Committee to consist of, Mr. J. E. Brown, Mr. Conolly, Mr. Seddon, the Hon. Sir John Hall, Mr. Hursthouse, Mr. Macandrew, Mr. Montgomery, Mr. Shephard, Mr. Sutton, and the mover. Five to be a quorum; to report within one week."—(*Hon. Major Atkinson.*)

FRIDAY, THE 25TH DAY OF AUGUST, 1882.

*Ordered*, "That the Special Taxing for Public Works Committee have leave to postpone making their report until Tuesday next."—(*Mr. Conolly.*)

TUESDAY, THE 29TH DAY OF AUGUST, 1882.

*Ordered*, "That the Special Taxing for Public Works Committee have leave to postpone making their report until Friday next."—(*Mr. Conolly.*)

FRIDAY, THE 1ST DAY OF SEPTEMBER, 1882.

*Ordered*, "That the Special Taxing for Public Works Committee have leave to postpone making their report until Tuesday next."—(*Mr. Conolly.*)

REPORT.

THE Committee have the honor to report,—

1. That the original proposal of the Immigration and Public Works scheme, as embodied in the nineteenth section of the Immigration and Public Works Act of 1870, was that the interest upon the cost of construction of railways (nothing being said about profit or loss upon working account) was to be charged against the Land Fund of each province in which such railways were constructed, after deducting one-half of the stamp duties collected within each such province.

2. That in the following year the nineteenth section of the Act of 1870 was repealed by the twelfth section of "The Immigration and Public Works Act, 1871," and it was enacted in lieu thereof that, after deducting one-half the stamp duties collected within each province from the interest upon the cost of the construction of railways, and adding thereto any loss which might be made upon working the lines or deducting therefrom any profit upon the said working, the balance was to be charged against the Land Fund of the province; and further provision was made that "in the event of the Land Fund of such province not being sufficient to meet such charges, the same should be met and recouped to the colony out of moneys to be raised by direct taxation levied within such province." No machinery was provided for levying such taxation, nor was it said whether the taxation was to be imposed and collected by the Provincial or the General Government.

3. That by the thirteenth section of the "Immigration and Public Works Act, 1875," the twelfth section of the Act of 1871 was repealed, and other provision made in lieu thereof, but the same words relating to taxation were repeated in relation to the charge for interest on cost of construction. But in the fifteenth section of the same Act it is directed that, in the event of the Land Fund of any province proving insufficient to meet the charge of interest, and the loss, if any, on working expenses, the General Government was to stop the balance from the Custom dues and other general revenue which was payable over by it to the province under "The Payment of Provinces Act, 1871."

4. That the Legislature from 1871 to the present time have consistently determined to charge any deficiency for railways, first, against one-half the stamp duties, second, against the Land Fund of each province, and, in the event of these funds not being adequate, then against its general revenue, leaving the province to recoup itself or not by direct or other taxation as it might please.

5. That in 1875 the Abolition Act was passed, but did not come into force till the 1st November, 1876. Shortly before the Abolition Act became law, "The Financial Arrangements Act, 1876," was passed, which provided that the interest on cost of construction of railways was to be charged against the Land Fund of each provincial district, for the first two years at 2 per cent., for the next three years at  $1\frac{3}{4}$  per cent., and for the next three years at  $1\frac{1}{2}$  per cent., and no provision was made in that Act for charging any deficiency in working expenses; and apparently it was intended that all charges against Land Fund should end after eight years, and in "The Public Works Act, 1876," which repealed all the existing Acts relating to public works and immigration, no provision was made for any local charging.

6. That in 1877 the Financial Arrangements Act made the Land Fund colonial revenue, taking over all liabilities for railways which up to that date had been charged locally against the land funds of the several provinces or provincial districts. In 1879 Parliament decided not to use any of the proceeds of the land sales in aid of revenue, but to apply them to local public works.

7. That the Land Fund of the colony, after paying all charges upon it, has, since 1877, been more than sufficient to cover the loss to the colony upon the interest and working expenses of the railways.

8. That there is no evidence in any of the Acts relating to public works of an intention to specially "tax property increased in value by the construction with public money of railways, roads, bridges, harbour, and other public works."

9. That, in the opinion of the Committee, the principle on which such taxation can be justified is a reasonable one, but, so far as the Committee is aware, it has never hitherto been successfully acted on by any Government.

10. That the Committee have carefully considered the practicability of giving effect to that principle, and with that view have discussed the several propositions made to carry out that object.

11. That the plan which former legislation suggests, of specially taxing provincial districts, the Committee reject, as involving serious unfairness in many cases, and as being opposed altogether to a national system of public works, especially railways.

12. That the raising of the property-tax has been proposed as an easy and equitable mode of obtaining a contribution for the additional value given to properties by public works. This involves such large and very complicated questions, that the Committee are not prepared to give any opinion as to such a plan, which could of course be easily carried out, but would probably be very unfair in its operation. In many cases, it would lay additional burdens on property not benefited by public works expenditure, while Crown and Native lands, and property below £500 in value, however much they might be benefited, would make no contribution.

13. That the proposition to tax only properties specially increased in value, appears at first sight to be fair; but, as regards the past, is open to the objection that, in many cases, probably the majority, the present owners, having become purchasers since the construction of the works benefiting their properties, have already paid for the enhanced value in the purchase-money.

14. That the same objection is not applicable to the future; and the Committee see no objection to apply, to that extent, the principle enunciated in the resolution of the House, provided that the owners of property to be affected are heard by Parliament before expenditure is incurred.

15. The Committee is of opinion that, when any railway or portion of a railway made out of the proceeds of any future Loan Acts shall be open for traffic, if the net returns from such railway or portion of a railway, after deducting working expenses, and all costs of repairs of permanent-way, rolling-stock, and plant, be not sufficient to pay the interest upon the money expended in making such railway or portion of a railway, then the Governor in Council shall raise an amount sufficient to pay such interest by imposing and levying a tax on the increased value of all land benefited by the formation of such line of railway.

16. That any public works to be commenced henceforth shall be undertaken on the condition that property which may be specially benefited by such works shall be subjected to such special charge or treatment as the General Assembly may hereafter determine.

17. That, having regard to the limited time at their disposal, the Committee are not prepared to suggest the necessary legislation; and they recommend that the subject should be carefully considered during the recess, and taken up by the Assembly in the next session.

4th September, 1882.

EDWD. T. CONOLLY,  
Chairman.

## MINUTES OF PROCEEDINGS.

MONDAY, 21ST AUGUST, 1882.

*Present* : Hon. Major Atkinson, Mr. J. E. Brown, Mr. Conolly, Hon. Sir J. Hall, Mr. Hursthouse, Mr. Macandrew, Mr. Montgomery, Mr. Seddon, Mr. Shephard, Mr. Sutton.

The order of reference of the 18th August was read.

On the motion of Hon. Major Atkinson it was resolved that Mr. Conolly take the chair.

Mr. J. E. Brown moved, For the purpose of taxing land specially benefited by the construction and equipment of railways with borrowed money, it is desirable,—

1. That the colony be divided into districts embracing as near as possible railways having a common commerce or interest.

2. That a tax be levied on the capital value of all land to recoup the colony any difference between the net earnings (including maintenance, repairs, and renewals) and the annual interest on the cost of construction and equipment of the railways in such districts respectively: Provided that until some portion of a railway is open for traffic no tax shall be levied.

3. That the Government be requested to give effect to the aforesaid by immediate legislation.

After some discussion the debate was adjourned until the next meeting.

On the motion of Sir John Hall, *Resolved*, That a return be laid before the Committee showing the expenditure since 1870 out of loan upon each class of public work in each province, and the interest returned in each case.

On the motion of Mr. Seddon, *Resolved*, That a return be laid before the Committee showing the Customs returns in each provincial district in each year since 1870, and the population of each provincial district at every census during the same period.

*Resolved*, That the Committee, on its rising, adjourn till 11 o'clock to-morrow.

*Resolved*, That the order of reference and these resolutions be printed for the use of the Committee.

The Committee then adjourned.

WEDNESDAY, 23RD AUGUST, 1882.

The Committee met pursuant to notice.

*Present* : Hon. Major Atkinson, Mr. J. E. Brown, Mr. Conolly (Chairman), Hon. Sir J. Hall, Mr. Hursthouse, Mr. Macandrew, Mr. Montgomery, Mr. Seddon, Mr. Shephard, Mr. Sutton.

The Chairman not being present at the commencement of the proceedings, *Resolved*, That Mr. Seddon take the chair.

The minutes of the previous meeting were read and confirmed.

On the Chairman's arrival Mr. Seddon vacated the chair, which was taken by the Chairman.

The motion of Mr. J. E. Brown was then further discussed, and again adjourned until next meeting.

The Committee then adjourned.

THURSDAY, 24TH AUGUST, 1882.

The Committee met pursuant to notice.

*Present* : Hon. Major Atkinson, Mr. J. E. Brown, Mr. Conolly (Chairman), Mr. Seddon, Mr. Shephard, Mr. Sutton.

The minutes of the previous meeting were read and confirmed.

*Resolved*, That the title of the Committee be altered to "Special Taxing for Public Works Committee."

The motion of Mr. J. E. Brown was again under discussion.

Mr. Sutton moved the following amendment to Mr. J. E. Brown's resolution: That, having in view the impossibility of arriving at a fair estimate of the value that has been given to property by the construction of public works in the past, or anything like a reliable estimate of the increased values that will be given to property by the extension of railways and other public works in the future, this Committee is of opinion,—

1. That all properties which have received or shall receive any additional value by the expenditure of public moneys in the construction of public works should contribute in proportion to the increased value through the property-tax.

2. That, while country land has been largely increased in value by the construction of public works, it cannot be doubted that large additional values have been given to town lands by this expenditure.

3. That many of the original owners of property having realized, the enhanced value of their lands cannot be reached by any form of taxation upon land only, and it would be inequitable to compel present owners to pay taxation in respect of values for which they have paid.

4. That if there is any profit in the working of our railways it should belong to the general taxpayers, and should not be credited to owners of landed property in the several districts.

5. That, in the opinion of this Committee, the amount payable as property-tax should be increased, and that the amount raised by direct taxation upon property should increase with the increased liability of the colony for interest upon borrowed money.

After some further discussion, the debate was adjourned until the next meeting.  
The Committee then adjourned.

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FRIDAY, 25TH AUGUST, 1882.

The Committee met pursuant to notice.

*Present:* Hon. Major Atkinson, Mr. J. E. Brown, Mr. Conolly (Chairman), Hon. Sir J. Hall, Mr. Hursthouse, Mr. Macandrew, Mr. Montgomery, Mr. Seddon, Mr. Shephard, Mr. Sutton.

The minutes of the previous meeting were read and confirmed.

The Chairman reported to the Committee that the resolutions proposed by Mr. Brown, and the amendment by Mr. Sutton, with comments thereon, had been published in the *New Zealand Times* of this morning's date.

On the motion of Mr. Seddon, *Resolved*, That the attention of the House be called to this matter by the Chairman.

*Resolved*, That the Committee at its rising adjourn to Monday next, at half-past 10 o'clock a.m.

*Resolved*, That the Chairman ask for extension of time for report until Tuesday next.

Resolutions to be moved were handed in by Mr. Seddon and Mr. Macandrew, and were ordered to be printed.

The Committee then adjourned.

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MONDAY, 28TH AUGUST, 1882.

The Committee met pursuant to notice.

*Present:* Hon. Major Atkinson, Mr. J. E. Brown, Mr. Conolly (Chairman), Hon. Sir J. Hall, Mr. Hursthouse, Mr. Macandrew, Mr. Montgomery, Mr. Seddon, Mr. Shephard, Mr. Sutton.

The minutes of the previous meeting were read and confirmed.

The order of reference giving leave to the Committee to postpone making their report u Tuesday next was read.

The motion of Mr. J. E. Brown was again under discussion.

The returns called for by Sir J. Hall and Mr. Seddon were presented by Hon. Major Atkinson, and ordered to be printed.

Resolution to be moved by Mr. Hursthouse was handed in, and ordered to be printed.

The Committee then adjourned.

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WEDNESDAY, 30TH AUGUST, 1882.

The Committee met pursuant to notice.

*Present:* Hon. Major Atkinson, Mr. J. E. Brown, Mr. Conolly (Chairman), Sir J. Hall, Mr. Hursthouse, Mr. Macandrew, Mr. Shephard, Mr. Sutton.

The minutes of the previous meeting were read and confirmed.

Order of reference giving leave to the Committee to postpone making their report until Friday next was read.

Resolution to be moved by Hon. Major Atkinson was handed in.

The returns called for by Sir J. Hall and Mr. Seddon having been printed, were produced, and circulated amongst the members of the Committee. (*See Appendix.*)

The motion of Mr. J. E. Brown, with Mr. Sutton's amendment thereon, was again the subject of discussion, and further adjourned until the next meeting.

*Resolved*, That the Committee adjourn until Thursday, the 31st instant, at 11 a.m. Special notice to be given that it would be final meeting to consider report.

The Committee then adjourned.

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THURSDAY, 31ST AUGUST, 1882.

The Committee met pursuant to notice.

*Present:* Hon. Major Atkinson, Mr. J. E. Brown, Mr. Conolly (Chairman), Hon. Sir J. Hall, Mr. Hursthouse, Mr. Macandrew, Mr. Montgomery, Mr. Seddon, Mr. Shephard, Mr. Sutton.

The minutes of the previous meeting were read and confirmed.

*Resolved*, That the debate on Mr. Brown's resolution and Mr. Sutton's amendment thereon be adjourned, to be resumed presently.

Hon. Major Atkinson then moved the following resolution:—

1. That the original proposal of the Immigration and Public Works scheme, as embodied in the nineteenth section of the Immigration and Public Works Act of 1870, was that the interest upon the cost of construction of railways (nothing being said about profit or loss upon working account) was to be charged against the Land Fund of each province in which such railways were constructed, after deducting one-half of the stamp duties collected within each such province.

2. That in the following year the nineteenth section of the Act of 1870 was repealed by the twelfth section of "The Immigration and Public Works Act, 1871," and it was enacted in lieu thereof that, after deducting one-half the stamp duties collected within each province from the interest upon the cost of the construction of railways, and adding thereto any loss which might be made upon working the lines or deducting therefrom any profit upon the said working, the balance was to be charged against the Land Fund of the province; and further provision was made that "in the event of the Land Fund of

such province not being sufficient to meet such charges, the same should be met and recouped to the colony out of moneys to be raised by direct taxation levied within such province." No machinery was provided for levying such taxation, nor was it said whether the taxation was to be imposed and collected by the Provincial or the General Government.

3. That by the thirteenth section of the "Immigration and Public Works Act, 1875," the twelfth section of the Act of 1871 was repealed, and other provision made in lieu thereof, but the same words relating to taxation were repeated in relation to the charge for interest on cost of construction. But in the fifteenth section of the same Act it is directed that, in the event of the Land Fund of any province proving insufficient to meet the charge of interest, and the loss, if any, on working expenses, the General Government was to stop the balance from the Custom dues and other general revenue which was payable over by it to the province under "The Payment of Provinces Act, 1871."

4. That the Legislature from 1871 to the present time have consistently provided to charge any deficiency for railways—first, against one-half the stamp duties; second, against the Land Fund of each province; and, these funds failing, then against its general revenue, leaving the province to recoup itself or not by direct or other taxation as it might please.

5. That in 1875 the Abolition Act was passed, but did not come into force till the 1st November, 1876. Shortly before the Abolition Act became law, "The Financial Arrangements Act, 1876," was passed, which provided that the interest on cost of construction of railways was to be charged against the Land Fund of each provincial district, for the first two years at 2 per cent., for the next three years at  $1\frac{3}{4}$  per cent., and for the next three years at  $1\frac{1}{2}$  per cent., and no provision was made in that Act for charging any deficiency in working expenses; and apparently it was intended that all charges against Land Fund should end after eight years, and in "The Public Works Act, 1876," which repealed all the existing Acts relating to public works and immigration, no provision was made for any local charging.

6. That in 1877 the Financial Arrangements Act made the Land Fund colonial revenue, taking over all liabilities for railways which up to that date had been charged locally against the land funds of the several provinces or provincial districts. In 1879 Parliament decided not to use any of the proceeds of the land sales in aid of revenue, but to apply them to local public works.

7. That the Land Fund of the colony, after paying all charges upon it, has, since 1877, been more than sufficient to cover the loss to the colony upon the interest and working expenses of the railways.

8. That there is no evidence in any of the Acts relating to public works of an intention to specially "tax property increased in value by the construction with public money of railways, roads, bridges, harbour, and other public works."

9. That, in the opinion of the Committee, the principle on which such taxation can be justified is a reasonable one, but, so far as the Committee is aware, it has never hitherto been acted on any way.

10. That the Committee have carefully considered the practicability of giving effect to that principle, and with that view have discussed the several propositions made to carry out that object.

11. That the plan which former legislation suggests, of specially taxing provincial districts, the Committee at once reject, as obviously unfair, and opposed altogether to a national system of public works, especially railways.

12. That the raising of the property-tax has been proposed as an easy and equitable mode of obtaining a contribution for the additional value given to properties by public works. This involves such large and very complicated questions, that the Committee are not prepared to give any opinion as to such a plan, which could of course be easily carried out, but would probably be very unfair in its operation. In many cases, it would lay additional burdens on property not benefited by public works expenditure.

13. That the proposition to tax only properties specially increased in value appears at first sight to be fair; but, as regards the past, is open to the substantial objection that, in many cases, probably the majority, the present owners, having become purchasers since the construction of the works benefiting their properties, have already paid for the enhanced value in the purchase-money.

14. That the same objection is not applicable to the future; and the Committee see no objection to apply, to that extent, the principle enunciated in the resolution of the House, provided that the assent of the owners interested in the property to be affected is given before expenditure is incurred.

15. That, having regard to the limited time at their disposal, the Committee are not prepared to suggest the necessary legislation; and they recommend that the subject should be carefully considered during the recess, and taken up by the Assembly in the next session.

The question was then put before the Committee, "That paragraph 1 of Major Atkinson's resolution form part of the report," which, after some discussion was carried.

Paragraphs 2 and 3, 4 as amended, 5, 6, 7, and 8, 9 as amended, and 10 were also agreed to and carried.

The question was then put, "That paragraph 11 as amended form part of the report," upon which the Committee divided, with the following result—

*Ayes*, 5.—Hon. Major Atkinson, Hon. Sir J. Hall, Mr. Hursthouse, Mr. Sutton, Mr. Shephard.

*Noes*, 2.—Mr. J. E. Brown, Mr. Montgomery.

The paragraph as amended was therefore carried.

The question was then put, "That paragraph 12 be part of the report."

Moved, by way of amendment, To omit paragraph 12, and to insert in lieu thereof paragraph 5 of Mr. Sutton's amendment as follows: That, in the opinion of this Committee, the amount payable as property-tax should be increased, and that the amount raised by direct taxation upon property should increase with the increased liability of the colony for interest upon borrowed money.

Question put, "That the words proposed to be struck out stand part of the question," upon which the Committee divided, with the following result:—

*Ayes*, 4.—Hon. Major Atkinson, Mr. J. E. Brown, Hon. Sir J. Hall, Mr. Montgomery.

*Noes*, 3.—Mr. Hursthouse, Mr. Shephard, Mr. Sutton.

Paragraph 12 was therefore carried, the following words being added: "while Crown and Native lands, and property below £500 in value, however much they might be benefited, would make no contribution."

Question put, "That paragraph 13 form part of the report."

Mr. Hursthouse moved the following amendment:—

That the subject submitted to your Committee is beset with many difficulties, and the time granted to the Committee has not allowed them to give the subject as much consideration as it deserves.

That the principle of taxing property specially benefited by railways is just.

That, having this object in view, the Government should appoint competent valuers under the Property Assessment Act, who shall, in arriving at the rateable value of property, take into consideration the increased value of such property through the construction of railways, and that no increased property-tax shall be paid on real property which, in their opinion, has derived no increased value from railway construction.—Negatived.

Paragraph 13 was therefore carried, with the amendment that the word "substantial" be struck out.

Question put, "That paragraph 14 as amended form part of the report"—Carried.

*Resolved.* That paragraph 15 be not discussed at present, but postponed for the purpose of considering Mr. Brown's, Mr. Seddon's, and Mr. Macandrew's resolutions.

Mr. Brown's resolution was further discussed, and upon clauses Nos. 1 and 2 the Committee divided, with the following result:—

*Ayes*, 4.—Mr. Brown, Mr. Hursthouse, Mr. Macandrew, Mr. Montgomery.

*Noes*, 5.—Hon. Major Atkinson, Hon. Sir J. Hall, Mr. Seddon, Mr. Shephard, Mr. Sutton.

It was therefore negatived.

Mr. Seddon then moved the following:—

That this Committee, having carefully considered the several matters submitted by your honorable House in the order of reference, have the honor to report as follows:—

A. That, as regards roads, bridges, harbours, and other public works constructed out of loans, the Committee are of the opinion that the benefits derived from the construction of this class of works are more of a colonial than local nature, and the difficulties are so great in arriving at anything like an equitable solution of this phase of the question within the time allowed the Committee, that, under these circumstances, the Committee are of the opinion that for the present any losses sustained are met by taxation, and properly paid out of consolidated revenue.

B. That, as regards railways, the Committee are of opinion that this class of public works would be best dealt with separately.

1. That, in the case of railways already constructed, where it can be proved that private lands, either town, suburban, or rural, have been increased in value by the construction of such railways, and where the said lands are still held by and in the possession of the same persons who owned the said lands prior to the construction of the railway, then such owners shall pay to the consolidated revenue 4 per cent. per annum on the amount of such increased value only.
2. That, in the case of lands which have changed owners, such lands shall be valued, and on the increased value, if any, since purchase such owners shall pay to the consolidated revenue 4 per cent. per annum.
3. That, in the case of railways hereafter to be constructed, and before such construction takes place, all private lands, either town, suburban, or rural, which are likely to be increased in value by the construction of such railways shall be valued under provision of "The Property-Tax Act, 1880," and on the completion thereof the said lands shall be re-valued, and upon the increased value, if any, the owners of such lands shall pay to the consolidated revenue 2 per cent. per annum.

Question put, "That in clause No. 1 the word 'railways,' in line 1, be retained," upon which the Committee divided as under:—

*Ayes*, 5.—Mr. Hursthouse, Mr. Macandrew, Mr. Montgomery, Mr. Seddon, Mr. Sutton.

*Noes*, 4.—Hon. Major Atkinson, Mr. Brown, Hon. Sir J. Hall, Mr. Shephard.

It was therefore carried that the word be retained.

Question put, "That clause No. 2 of Mr. Seddon's resolution form part of the report."—Negatived.

Question put, "That clause No. 3 of Mr. Seddon's resolution form part of the report," upon which the Committee divided as under:—

*Ayes*, 3.—Mr. Hursthouse, Mr. Seddon, Mr. Sutton.

*Noes*, 6.—Major Atkinson, Mr. Brown, Sir J. Hall, Mr. Macandrew, Mr. Montgomery, Mr. Shephard.

It was therefore negatived.

Question put, "That Mr. Macandrew's resolution, as follows—The Committee is of opinion that, when any railway or portion of a railway made out of the proceeds of any future Loan Acts shall be open for traffic, if the net returns from such railway or portion of a railway, after deducting working expenses, and all costs of repairs of permanent-way, rolling-stock, and plant, be not sufficient to pay the interest upon the money expended in making such railway or portion of a railway, then the Governor in Council shall raise an amount sufficient to pay such interest by imposing and levying a tax on the increased value of all land benefited by the formation of such line of railway,"—form part of the report, upon which the Committee divided, with the following result:—

*Ayes*, 5.—Mr. J. E. Brown, Mr. Hursthouse, Mr. Macandrew, Mr. Montgomery, Mr. Seddon.

*Noes*, 4.—Hon. Major Atkinson, Hon. Sir J. Hall, Mr. Shephard, Mr. Sutton.

Resolution therefore carried.

Sir J. Hall then moved, That any public works to be commenced henceforth shall be undertaken on the condition that property which may be specially benefited by such works shall be subjected to such special charge or treatment as the General Assembly may hereafter determine.

Question put, "That the resolution by Sir John Hall form part of the report."—Carried.

*Resolved*, That the debate on paragraph 15 of Major Atkinson's resolution be adjourned until the next meeting.

*Resolved*, That the resolutions of Major Atkinson as amended, and the resolutions of Mr. Macandrew and Sir J. Hall, be printed.

*Resolved*, That the Committee adjourn until 10 30 a.m. of Monday, the 4th September. The Committee then adjourned.

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MONDAY, 4TH SEPTEMBER, 1882.

The Committee met pursuant to notice.

*Present*: Hon. Major Atkinson, Mr. J. E. Brown, Mr. Conolly (Chairman), Mr. Hursthouse, Mr. Macandrew, Mr. Montgomery, Mr. Seddon, Mr. Shephard, Mr. Sutton.

The minutes of the previous meeting were read and confirmed.

Order of reference, giving leave to the Committee to postpone making their report until Tuesday, the 5th instant, was read.

Paragraph No. 15 of Hon. Major Atkinson's resolution was then again discussed.

Question put, "That paragraph No. 15, now altered to No. 17, form part of the report," upon which the Committee divided as under:—

*Ayes*, 4.—Hon. Major Atkinson, Mr. Hursthouse, Mr. Shephard, Mr. Sutton.

*Noes*, 4.—Mr. J. E. Brown, Mr. Macandrew, Mr. Montgomery, Mr. Seddon.

Votes being equal, the Chairman gave his casting vote with the *Ayes*. Paragraph to form part of the report therefore carried.

Moved by Mr. Sutton, That the Committee adjourn until to-morrow, with a view to reconsidering the matter of paragraphs 15 and 16 as printed.—Negatived.

Question put, "That the resolutions as amended be the report of the Committee," upon which the Committee divided as under:—

*Ayes*, 5.—Hon. Major Atkinson, Mr. J. E. Brown, Mr. Macandrew, Mr. Montgomery, Mr. Seddon.

*Noes*, 3.—Mr. Hursthouse, Mr. Shephard, Mr. Sutton.

Question carried.

*Resolved*, That the minutes of proceedings and the returns before the Committee be appended to the report.

The Committee then adjourned at 11 A.M. *sine die*.

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## APPENDIX.

STATEMENT and RETURNS prepared for the information and by request of the Select Committee on Special Taxing for Public Works.

A.—STATEMENT SHOWING THE APPORTIONMENT BETWEEN THE SEVERAL PROVINCIAL DISTRICTS OF THE AMOUNT EXPENDED OUT OF LOAN FROM THE COMMENCEMENT OF THE PUBLIC WORKS POLICY TO THE 31ST MARCH, 1882.

B.—INTEREST RETURNED IN RESPECT OF THE FOLLOWING CLASSES OF EXPENDITURE OUT OF LOAN:—

RAILWAYS.

WATER SUPPLY ON GOLD FIELDS.

TELEGRAPH EXTENSION.

LIGHTHOUSES.

C.—RETURN SHOWING THE CUSTOMS DUTIES COLLECTED IN EACH PROVINCIAL DISTRICT DURING EACH YEAR FROM 1ST JULY, 1870, TO 31ST MARCH, 1882.

D.—RETURN SHOWING THE POPULATION OF THE COLONY IN THE YEARS 1871, 1874, 1878, AND 1881, AS ASCERTAINED BY THE CENSUS TAKEN FOR EACH OF THOSE YEARS.

E.—MEMORANDUM FROM THE SURVEYOR-GENERAL TO THE HON. MAJOR ATKINSON, SHOWING THE MILEAGE OF COLONIAL AND COUNTY ROADS IN THE NORTH AND MIDDLE ISLANDS.

JAMES C. GAVIN,  
Secretary to the Treasury.

Treasury, Wellington,  
24th August, 1882.

(A.) STATEMENT showing the APPORTIONMENT between the several PROVINCIAL DISTRICTS of the AMOUNT EXPENDED OUT OF LOAN from the commencement of the Public Works Policy to the 31st March, 1882.

—	Auckland.		Taranaki.		Wellington.		Hawke's Bay.		Nelson.		Marlborough.		Canterbury.		Westland.		Otago.		General.		Total.			
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.		
Immigration ...	233,095	4 5	60,096	7 8	337,869	12 0	139,943	13 4	54,578	3 11	27,602	16 10	497,342	18 3	50,595	11 9	524,629	2 8	...	...	1,925,753	10 10		
Public Works, Departmental...	27,331	7 9	7,007	14 1	25,757	13 5	8,137	10 11	9,899	11 2	2,999	9 2	29,335	10 2	9,334	12 9	50,772	5 6	...	...	170,375	14 11		
Railways ...	1,354,077	13 8	330,550	5 11	1,630,205	5 0	471,048	16 1	413,863	5 7	192,765	19 8	1,931,760	3 3	239,551	14 9	3,304,282	9 10	1,563	18 4	9,869,669	11 3		
Roads (Public Works Department) ...	409,211	6 11	140,247	7 5	195,475	5 6	93,549	8 11	139,130	5 3	11,176	13 7	73,019	18 11	180,425	2 8	75,629	10 2	...	...	1,317,864	19 4		
Roads (Survey Department) ...	15,996	13 6	3,601	11 2	4,290	7 2	1,378	7 6	617	3 0	2,756	14 1	63	16 10	4,448	9 10	2,782	6 5	...	...	35,935	9 6		
Water-supply on Gold Fields	80,812	19 3	...	...	...	...	...	...	98,883	0 9	...	...	...	...	195,084	14 8	85,998	5 10	...	...	460,779	0 6		
Works, Thames Gold Fields ...	50,000	0 0	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	50,000	0 0		
Prospecting, &c., Coal Mines...	1,279	17 9	...	...	...	...	...	...	7,667	3 5	...	...	358	0 7	616	15 5	913	10 10	...	...	10,835	8 0		
Telegraph Extension ...	112,878	0 6	15,039	11 11	47,195	0 7	6,923	16 0	43,452	17 11	5,591	4 3	41,402	16 8	7,405	14 8	40,834	13 4	99,307	19 3	429,931	15 1		
Public Buildings ...	215,638	0 2	24,184	10 8	202,740	7 2	42,215	11 6	37,300	8 3	22,655	18 4	214,638	3 8	39,262	18 5	187,463	14 4	5	15 9	986,105	8 3		
Miscellaneous Public Works ...	61,191	14 10	21,683	5 0	49,304	15 4	15,922	11 3	50,569	7 6	8,688	15 9	113,973	18 6	54,784	11 1	178,427	1 4	2,732	0 3	557,278	1 6		
Land Purchases ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	867,369	1 6	...	...	867,369	1 6
Lighthouses and Harbour Works ...	...	...	437	11 7	...	...	...	...	313	3 3	312	3 2	...	...	17,422	9 6	325	0 0	90,234	6 6	109,044	14 0		
Contingent Defence...	47	11 9	...	...	85	9 5	...	...	...	...	...	...	43	18 9	...	...	56	10 4	391,985	9 0	392,218	19 3		
Interest and Sinking Fund ...	32,194	13 0	7,649	5 2	30,948	0 3	9,755	4 5	10,735	11 8	3,473	12 8	35,958	15 2	9,852	0 11	56,159	1 9	21,773	15 0	218,500	0 0		
Charges and Expenses raising Loans ...	112,720	17 10	26,781	16 1	108,356	2 9	34,155	5 7	37,587	15 2	12,161	19 10	125,899	18 3	34,494	5 9	196,625	18 4	76,234	18 5	765,018	18 0		
Totals ...	2,706,476	1 4	637,279	6 6	2,632,227	18 7	823,030	5 6	904,597	16 10	290,185	7 4	3,063,797	19 0	843,279	2 2	4,704,899	10 8	1,551,207	4 0	18,156,980	11 11		

W. A. THOMAS,  
Accountant, Public Works Department.



(B.)

INTEREST RETURNED in respect of the following CLASSES of EXPENDITURE out of LOAN:—

## RAILWAYS.

NET REVENUE, COST of CONSTRUCTION, and RATE of INTEREST on Railway-lines in each Provincial District, for Year ending 31st March, 1882.

Provincial District.	Earnings over Expenditure, as per Balance-sheet.			Estimated Cost of Opened Lines.			Rate of Interest.		
	£	s.	d.	£	s.	d.	£	s.	d.
Auckland	23,060	14	6	1,050,000	0	0	2	3	11
Taranaki	3,741	19	2	235,000	0	0	1	11	10
Wellington	25,766	12	10	1,487,000	0	0	1	14	8
Hawke's Bay	15,556	19	4	422,000	0	0	3	13	9
Nelson	4,870	6	4	310,000	0	0	1	11	5
Marlborough	2,416	12	10	189,000	0	0	1	5	7
Canterbury	151,410	2	8	2,462,023	0	0	6	3	0
Westland	5,715	16	2	139,000	0	0	4	2	3
Otago	136,387	15	2	3,148,977	0	0	4	6	7
Totals	368,926	19	0	9,443,000	0	0	3	18	2

22nd August, 1882.

N. W. WERRY,  
Under-Secretary for Railways.

## WATER-SUPPLY ON GOLD FIELDS.

PAID OUT OF LOAN TO 31ST MARCH, 1882,—

	£	£
Auckland	80,813	
Nelson	98,883	
Westland	195,085	
Otago	85,998	
		460,779
Aid to works, Thames Gold Fields		50,000

The Under-Secretary, Gold Fields Department.

WOULD you kindly state what interest per annum the works constructed with the above-mentioned moneys are at the present time returning to the Government? The rate for each provincial district should be stated.

J. C. GAVIN,

23rd August, 1882.

Secretary to the Treasury.

The Secretary to the Treasury.

AUCKLAND: Nothing to Government; works handed over to Thames County.—Nelson: About 1 per cent.—Westland: £170,000 is probably paying about  $\frac{1}{2}$  per cent; balance is paying nothing.—Otago: Nothing to Government; works to the value of about £63,000 are in the hands of a trust.

23rd August, 1882.

OLIVER WAKEFIELD,  
Under-Secretary, Gold Fields Department.

## TELEGRAPH EXTENSION.

STATEMENT showing, for the Year 1881-82, the Rate per Cent. per Annum Loss and PROFIT that the Difference between the REVENUE and WORKING EXPENSES of the TELEGRAPH DEPARTMENT bears to the CAPITAL EXPENDED ON TELEGRAPHS.

Provincial District.	Capital Expenditure.	Excluding Value of Government Telegrams.				Including Value of Government Telegrams.			
		Working Expenses exceeded Revenue by	Revenue exceeded Working Expenses by	Rate per cent. of		Working Expenses exceeded Revenue by	Revenue exceeded Working Expenses by	Rate per cent. of	
				Loss on Capital.	Profit on Capital.			Loss on Capital.	Profit on Capital.
General	£ 99,308	£ s. d.	£ s. d.	...	...	£ s. d.	£ s. d.	...	...
Auckland	112,878	3,787 19 10	...	3.35	...	...	237 1 6	...	21
Taranaki	15,039	813 1 1	...	5.40	...	...	1,571 6 11	...	10.44
Wellington	47,195	1,227 10 4	...	2.59	...	...	5,694 10 1	...	12.06
Hawke's Bay	6,924	130 18 9	...	1.87	...	...	948 2 9	...	13.69
Nelson	43,453	1,096 3 9	...	2.52	...	...	180 4 7	...	.41
Marlborough	5,591	1,440 14 2	...	25.75	...	1,004 12 8	...	17.95	...
Canterbury	41,403	2,027 0 8	...	4.89	...	142 9 11	...	.34	...
Westland	7,405	575 8 8	...	7.76	...	...	23 15 11	...	3.01
Otago	40,835	...	1,196 7 5	...	2.92	...	5,127 7 4	...	12.55
Totals	420,031	9,902 9 10	...	2.35	...	...	12,835 6 6	...	3.05

25th August, 1882.

W. GRAY,  
Secretary, Post and Telegraph Department.

## LIGHTHOUSES.

MEMORANDUM for the SECRETARY to the TREASURY.

Mr. Gavin.

THE amount expended in maintaining the New Zealand Lighthouses is more than the amount received as light dues; so that no profit whatever is made on the capital invested in their construction.

WILLIAM SWED,  
Secretary for Customs.

(C)  
RETURN showing the CUSTOMS DUTIES collected in each PROVINCIAL DISTRICT during each Year from 1st July, 1870, to 31st March, 1882.

Year.	Auckland.		Taranaki.		Wellington.		Hawke's Bay.		Nelson.		Marlborough.		Canterbury.		Westland.		Otago.		Total.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
1870-71	159,212	7 10	5,566	5 2	74,080	1 7	25,309	19 11	68,930	10 2	6,774	14 10	97,461	11 5	68,084	11 10	226,115	1 2	731,535	3 11
1871-72	180,536	16 2	5,595	3 4	74,902	17 3	22,381	4 0	71,709	9 1	6,960	4 11	102,755	14 6	63,544	16 5	245,500	19 9	773,797	5 5
1872-73	193,821	13 3	6,869	18 7	94,719	6 2	27,638	17 9	70,042	11 8	8,193	10 10	120,511	15 3	55,132	1 9	274,117	4 11	851,047	0 2
1873-74	229,398	18 6	7,110	7 1	130,346	8 5	39,297	3 2	83,301	11 2	8,624	11 11	174,549	5 9	59,451	14 11	379,679	6 9	1,110,659	7 8
1874-75	254,070	11 6	8,143	10 2	163,823	17 5	43,139	3 8	81,227	5 2	8,871	10 1	193,194	13 2	55,829	5 10	413,977	16 0	1,222,277	13 0
1875-76	239,077	17 1	8,296	19 10	189,449	13 9	41,012	18 2	74,576	14 3	8,689	11 6	204,404	16 3	46,075	14 1	412,247	4 4	1,223,831	9 3
1876-77	220,265	6 4	8,131	9 1	189,887	3 4	39,653	5 10	57,916	12 7	7,612	0 1	215,040	18 6	66,071	0 0	392,896	0 2	1,197,473	15 11
1877-78	232,744	2 4	8,726	6 8	209,458	12 1	40,785	19 2	48,456	13 7	8,075	4 11	241,910	1 4	68,910	3 9	413,767	16 7	1,272,835	0 5
1878-79	244,395	0 10	9,717	13 9	232,080	4 11	36,355	13 4	44,855	0 10	8,010	19 1	248,435	8 2	50,508	16 11	433,467	4 1	1,307,736	1 11
1879-80*	181,436	10 11	8,198	2 7	150,748	2 7	25,497	1 11	35,599	8 3	5,463	17 9	152,333	15 10	35,157	17 11	308,169	16 10	902,664	14 7
1880-81	257,208	19 11	11,388	2 4	197,549	12 3	37,536	4 11	52,505	12 2	7,733	1 10	233,727	1 9	57,620	6 1	452,365	18 0	1,307,634	19 3
1881-82	315,858	8 4	13,346	10 0	231,793	11 4	42,851	9 2	55,981	16 4	6,732	6 9	249,236	3 10	54,072	11 8	500,235	1 3	1,470,107	18 8
Totals	2,707,936	13 0	101,000	8 7	1,938,839	11 1	421,459	1 0	744,003	5 3	91,741	14 6	2,233,621	5 9	680,459	1 2	4,452,539	9 10	13,371,600	10 2

\* Nine months.

Treasury, Wellington,  
23rd August, 1882.

JAS. B. HEYWOOD,  
Accountant to the Treasury,

(D.)

RETURN showing the POPULATION of the COLONY in the Years 1871, 1874, 1878, and 1881, as ascertained by the Census taken for each of those Years.

Provincial District.	Population.			
	1871.	1874.	1878.	1881.
Auckland ... ..	62,335	67,451	82,661	99,451
Taranaki ... ..	4,480	5,465	9,463	14,858
Wellington ... ..	24,001	29,790	51,069	61,371
Hawke's Bay ... ..	6,059	9,228	15,015	17,367
Marlborough ... ..	5,235	6,145	7,557	9,300
Nelson ... ..	22,501	22,558	25,123	26,075
Westland ... ..	15,357	14,860	16,932	15,010
Canterbury ... ..	46,801	58,775	91,922	112,182
Otago ... ..	69,491	85,113	114,469	134,077
Chatham Islands ... ..	133	129	196	242
Totals ... ..	256,393	299,514	414,412	489,933

NOTE.—Maoris are not included.

Wm. R. E. BROWN,  
Registrar-General.

(E.)

MEMORANDUM from the SURVEYOR-GENERAL to the Hon. Major ATKINSON.

I FORWARD herewith a map of each of the North and Middle Islands, from which it will be seen that there are—in the North Island, 751 miles colonial roads, and 2,559 miles county roads; in the Middle Island, 474½ miles colonial roads, and 4,140 miles county roads: or a total of 1,225 miles colonial roads, and 6,699 miles county roads.

JAMES MCKERROW,  
Surveyor-General.

15th August, 1882.

Name of County.	Colonial Roads.	County Roads.	Name of County.	Colonial Roads.	County Roads.
<i>North Island.</i>			<i>Middle Island.</i>		
	Miles.	Miles.		Miles.	Miles.
Mongonui ... ..	...	64	Collingwood ... ..	57	44
Hokianga ... ..	...	70	Waimea ... ..	33	158
Bay of Islands ... ..	...	108	Marlborough ... ..	...	308
Hobson ... ..	...	55	Kaikoura ... ..	...	77
Whangarei ... ..	...	90	Cheviot ... ..	...	33
Rodney ... ..	...	90	Amuri ... ..	...	176
Waitemata ... ..	...	46	Inangahua ... ..	22	181
Eden ... ..	...	11	Buller ... ..	82	93
Manukau ... ..	...	73	Grey ... ..	...	181
Raglan ... ..	...	62	Ashley ... ..	...	154
Waikato ... ..	7	53	Selwyn ... ..	66	165
Coromandel ... ..	...	13	Ashburton ... ..	...	132
Thames ... ..	...	81	Geraldine ... ..	...	143
Piako ... ..	52	44	Waimate ... ..	...	110
Waipa ... ..	...	79	Westland ... ..	209	137
Tauranga ... ..	92	132	Wallace ... ..	...	193
Whakatane ... ..	92	132	Lake ... ..	...	214
Cook ... ..	185	114	Vincent ... ..	5½	209
East Taupo ... ..	133	...	Waitaki ... ..	...	243
West Taupo ... ..	12	...	Waikouaiti ... ..	...	88
Kawhia ... ..	13	...	Maniototo ... ..	...	149
Taranaki ... ..	...	129	Taieri ... ..	...	156
Hawera ... ..	...	99	Peninsula ... ..	...	13
Patea ... ..	...	35	Bruce ... ..	...	38
Wanganui ... ..	64	33	Tuapeka ... ..	...	154
Rangitikei ... ..	26	43	Clutha ... ..	...	132
Wairoa ... ..	9	132	Southland ... ..	...	459
Hawkes' Bay ... ..	66	136			
Waipawa ... ..	...	123			
Manawatu ... ..	...	131			
Wairarapa East ... ..	...	110			
Wairarapa West ... ..	...	180			
Hutt ... ..	...	81			
Totals ... ..	751	2,559	Totals ... ..	474½	4,140

By Authority: GEORGE DIDSBURY, Government Printer, Wellington.—1882.

