

1888.
NEW ZEALAND.

FINANCIAL STATEMENT

(In Committee of Ways and Means, Tuesday, 29th May, 1888.)

BY THE COLONIAL TREASURER, THE HONOURABLE SIR H. ATKINSON.

MR. HAMLIN,—

The recess which has just ended has been so short—only about one-half the ordinary length of our parliamentary recess—and the work imposed upon the Government so much greater than usual, that, with every effort on my part, I have been unable until to-day to submit to the consideration of the Committee the budget proposals of the Government. These proposals necessarily depended to a large extent upon the reduction of expenditure rendered possible through the reorganization of the Civil Service, and it was not until within the last few days that that work had sufficiently advanced to enable me to summarise the results for the information of the Committee.

It will be in the recollection of honourable members that, when the Government took office in October last, the financial position and prospects of the colony were such as to require the immediate and earnest attention of the Government and of Parliament. So far as time permitted, important changes were introduced during the session and others promised or foreshadowed. The Government undertook to largely reduce the loan expenditure upon public works. This has been done, and still further reductions are now both possible and desirable. We also undertook to make large reductions of the expenditure charged against the Consolidated Fund, and, although the sum reduced has not reached the amount we had hoped, we shall, I have no doubt, be able to satisfy the Committee that the reductions we have made and are making, are very substantial in amount, and of a good and permanent character. We further undertook to charge against the ordinary revenue certain works and services the funds for which had hitherto been provided from loan. This also has been done, and honourable members will find in the current ordinary estimates proper provision made for these services.

These salutary changes have not only been immediately and directly beneficial, but have also been indirectly of great advantage to us in their effect outside the colony. It is much to be regretted that our credit in London and elsewhere has been and still is greatly injured by hostile and unfair criticism. No one denies that there are very obvious points in our past finance fairly open to adverse criticism: that for so small a community we have become largely indebted; that in the past we not only borrowed largely, but sometimes spent unwisely and too freely. But assuming the truth of these things, they only touch one side of the case. If we want to see their real, present significance—their bearing upon our financial position and prospects—not one but two aspects have to be viewed. We must obviously, in the first place, and before we can strike a balance, look at the other side of the account, and consider the character of our population, its energy, industry, and skill, and the great resources, developed and undeveloped—the wealth, actual and potential,

which here exist. It has been said that New Zealand colonists are heavily taxed. Let us, without stopping to consider the qualifying facts, assume this to be true, and then look at it from another side. Here is a community of some 600,000 people who, in a time of long-continued and almost unexampled commercial depression, with some of their main staples very low in market value, yet raise a public revenue of, say, £3,500,000 a year. That is the sum they annually contribute to the State, mainly, if not wholly, out of their earnings; and it may be fairly inferred that these earnings, and the wealth they represent, bear no unfavourable comparison with those of other peoples, when out of them, and, as I have said, in a time of long-continued depression, they are able to make and maintain such a contribution. Yet in spite of this very large contribution, I hope I may even say—partly in consequence of it—there is, I believe, no community in the world of the same number, and spread over as large a surface, where on the whole, and allowing for inevitable exceptions, the material conditions of life are more favourable, or possessed by the people in greater abundance. In the second place, it is not less necessary to bear in mind the important and salutary financial changes already referred to. These changes are not only important in themselves as involving large and immediate economies in administration and in public works, but still more so as showing emphatically that we both mean to live within our means, and have approved, and are adopting, the steps necessary to insure this most desirable result.

The misrepresentations I have spoken of are to be greatly regretted for their effect upon our credit in London, and still more so because, owing to the extraordinary ignorance of the great mass of the English people of all things relating to the colonies, they tend most materially to turn from our shores that class of settlers whom we most need, and who would do best here—men with some capital, who could make profitable use of our waste lands, whether agricultural, pastoral, or mineral. It has very often been said, yet I would again repeat, that the introduction and settling upon our unoccupied lands of this class of settlers is one of the most important functions of the Legislature and Government of the colony.

It may be convenient that I should state briefly at starting what, in the opinion of the Government, is the chief financial work which requires to be done this session.

Firstly: To see that our ordinary expenditure is reduced to the lowest practicable point; and, this being done,—

Secondly: To devise a means to raise sufficient revenue to prevent the recurrence of a deficit; and in doing this we must, as far as can be done without loss to the community at large, assist our local industries and manufactures; and

Lastly: We have to reduce the expenditure of borrowed money on our public works to a much greater extent than was proposed last session.

The general course of action I have here indicated will, I am sure, meet with the cordial approval of the Committee. It is not and cannot be the work of any one party. No doubt honourable members may object to this or that proposal of the Government for accomplishing what is aimed at, but the difference will be only as to the means to be used and not as to the result to be achieved.

With these preliminary remarks I pass to the consideration of the financial transactions of last year.

REVENUE AND EXPENDITURE, 1887-88.

It will be remembered that, when the Financial Statement was made last November, I was blamed by a high financial authority for having predicted a much larger deficit than was likely to occur. I regret to say that the results of the year have been less favourable than I anticipated.

Upon the proposals then submitted (particulars of which will be found in Table No. 9 appended to last year's Statement) it was estimated that the deficit on the year's transactions would probably be £253,305 on the Ordinary Revenue Account and Land Fund Account conjoined. This estimate was subsequently

increased to £312,653 by the disallowance of some of our proposed reductions, by the late period at which the session ended, delaying the application of our proposals for retrenchment, and by the supplementary estimates of expenditure—the increase of £59,348 being the difference between the estimate of expenditure given in Table No. 9 referred to—£4,286,702, less proposed reductions, £71,000—and the estimate, £4,275,050, arrived at after the passing of the Appropriation Act; but this increased amount did not include any estimate of the sum required for compensation for loss of office, which in last year's Financial Statement was treated as a matter outside the ordinary estimates of expenditure. I shall presently refer to this question of compensation more fully.

The receipts of the year—still keeping the Ordinary Revenue and Land Fund Accounts conjoined for the purpose of comparison with my estimate last session—fell short of the actual expenditure of the year by £382,047, as against £312,653 anticipated, being £69,394 in excess of the estimated deficit for 1887–88; or, deducting £22,104 paid for compensation for loss of office—deducted for the reason just mentioned—the excess was £47,290. Before explaining how the estimated deficit came to be exceeded, it may be well to state what it actually was at 31st March last. As I have just said, the expenditure exceeded the receipts of the year by £382,047; but if we add the deficit left over from the preceding year—£146,556—we get a total of £528,603 for the two years. The liabilities outstanding at the close of the year were in respect of the Ordinary Revenue Account £126,184, and of the Land Fund Account £18,772, making together £144,956, being about £60,500 less than they were at the 31st March, 1887.

I shall now as briefly as possible explain to the Committee how the actual deficit at 31st March last exceeded our anticipations. In the first place the revenue as a whole did not realise the amount estimated by £103,336. The railway receipts did not reach the estimate by £68,174, nor the land sales by £29,503. The revenues derived from depasturing licenses, rents, and other sources, also fell short by £7,239, but Customs duties and stamps were both slightly in excess of the estimate. I am informed by the railway authorities that the falling-short of the estimated railway receipts is in some measure due to the late harvest and also to the low price of wheat, which caused the farmers to delay threshing and delivering their grain, in the hope that a rise in price might soon take place. That the smaller quantity of grain conveyed before the 31st March does not arise from a less quantity grown and ultimately needing conveyance, is shown by the fact that 28,000 tons more grain are estimated to have been carried over our railways during this month than in the same period in the previous year. The expenditure as a whole was less than the estimate by £33,942, or, excluding compensation paid for loss of office (£22,104), it was £56,046 less than estimated, which sum deducted from the revenue short received, £103,336, gives the excess deficit of £47,290 for the year, the amount I have already named to the Committee as exceeding our anticipations. I should, however, inform the Committee that, excluding interest and sinking fund and other charges under permanent Acts, which are not so directly under the control of Ministers, and also compensation for loss of office not paid under the Civil Service Act, the amount expended last year was within the votes of Parliament by £36,688. Included in this sum is £19,882, the unexpended balance of the amount voted for the General Post Office, Wellington. The total expenditure out of the Consolidated Fund under the Appropriation Act, including services not provided for, was £2,168,713 for the year 1887–88—including the whole charge for Defence services—as against £2,241,513 for 1886–87, with £12,500 added for Defence services charged to loan, being a reduction of £85,300 in favour of last year.

I have stated to the Committee that the transactions for the year of the Ordinary Revenue and Land Fund Accounts conjoined resulted in a deficit of £382,047. Separately, the accounts stood thus: Ordinary Revenue Account, £302,960; Land Fund Account, £79,087. To these sums we have to add the deficit with which the year began, made up of £92,293, Ordinary Revenue Account, and £54,263, Land Fund Account. There was, therefore, for the two years a deficiency of £395,253 in the one account and £133,350 in the

other, making a total of £528,603. But Parliament having last session, in anticipation of a large deficit at the close of the year 1887–88, made provision for £400,000, I have to-day to suggest only a means of meeting the much smaller sum of £128,603. This I shall do presently; but I may as well at once say that I shall not propose to add the amount to the permanent debt of the colony.

THE PUBLIC DEBT.

The gross public debt at the 31st March, 1887, as stated in detail in Table No. 3 appended to my Financial Statement of November last, was £35,741,653. During the year the following reductions in the debt have taken place: Debentures for £300,000 of the New Zealand Loan of 1856, which matured on the 1st January, 1888, have been redeemed by the Trustees of the Sinking Fund of that loan, and have been cancelled and returned to the colony; the debt under "The Consolidated Loan Act, 1867," has been reduced by £42,400 debentures of the "drawing" of 1887 redeemed out of the Sinking Fund. The additions to the debt have been: £69,000 under "The Consolidated Stock Act, 1877," for expenses of conversions; £500,000 borrowed on short-dated debentures under "The North Island Main Trunk Railway Loan Act, 1882;" £7,000 under "The New Zealand State Forests Act, 1885;" £125,000 under "The Government Loans to Local Bodies Act, 1886;" £258,184 under "The Consolidated Stock Act, 1884," for the increases of the sinking funds during the year; and £400,000 under "The Public Revenues Act, 1887 (No. 3)." The debt paid off having amounted to £342,400, and the new debt incurred to £1,359,184, the total gross debt at the 31st March, 1888, was £36,758,437. Deducting the sinking funds accrued, £1,222,056, the net public debt at that date was therefore £35,536,381, as against £34,314,454 at the 31st March, 1887.

It will be observed from the table of the debt appended to this statement that the following loans fall due within the current financial year, viz., £500,000 on the 31st July, temporarily borrowed under "The North Island Main Trunk Railway Loan Act, 1882;" £250,000 on the 1st November under "The Colonial Inscribed Stock Act, 1882;" and £49,500 on the 15th December under "The General Purposes Loan Act, 1873." It will be necessary to obtain the authority of Parliament to renew the two latter loans. In addition to the loans I have named as falling due within the current year, there are £25,000 due on the 1st October, 1888, and £25,000 due on the 1st January, 1889," under "The New Zealand Loan Act, 1856." These two sums will be repaid out of the accumulated Sinking Funds of that loan.

At the "drawing" under "The Consolidated Loan Act, 1867," which took place in London on the 8th March last, bonds to the amount of £172,500 were drawn for redemption; of that amount, £131,600 represents bonds which had been converted into other securities under the Consolidated Stock Acts, which sum has accordingly been paid into the Public Account by the Crown Agents, and in conformity with the law has now been applied to the redemption of debentures issued under "The Consolidated Stock Act, 1884."

There is also a contingent liability, which should, perhaps, be mentioned under the heading "Public Debt," although a very remote one. The Government have guaranteed £47,000, Kaihu Valley Railway 5 per cent. debentures, and also £100,000 of the Greymouth Harbour Board 4 per cent. debentures, and £150,000, Westport Harbour Board 4 per cent. debentures. But the security is, in each case, I believe, ample to insure the Government in any event from loss.

PUBLIC WORKS FUND.

Honourable members will recollect that, in consequence of the earmarking of the North Island Main Trunk Railway Loan and the loan authorised in 1886 to specific purposes, it became necessary to establish three distinct accounts in the Public Works Fund: No. 1 being an account of the balance of the loans raised before 1886, No. 2 the account of the North Island Main Trunk Railway Loan, and No. 3 the account of the loan authorised in 1886.

No. 1 ACCOUNT.

The balance at credit of No. 1 Account on the 31st March, 1887, was £491,245, of which there was expended during the year £440,854, leaving a balance of £50,391. I shall not give here any details of the expenditure out of the Public Works Fund. Some further information will be found in the tables appended, but full particulars will be supplied when my honourable colleague the Minister for Public Works makes his statement. It will be remembered that "The Loan Act, 1887," which authorised the borrowing of one million, provided that one-half of the amount should be carried to the credit of No. 1 Account and one-half to the credit of No. 3 Account. During the year it became necessary, in consequence of the "earmarking" already referred to, to create debentures under "The Loan Act, 1887," for £300,000, which were taken up out of funds at credit of No. 3 Account (I need scarcely say this transaction does not affect the amount of the public debt), whereupon £150,000 was carried to credit of No. 1 Account. This sum, together with the £50,391 already mentioned as the balance of the old loans, made £200,391, the amount which stood at credit of No. 1 Account on the 31st March, 1888. The liabilities outstanding at that date chargeable upon this account were £205,323.

No. 2 ACCOUNT.

Up to the 31st March, 1887, there had been expended, in anticipation of raising the North Island Main Trunk Railway Loan of £1,000,000, £325,685; during the past year a further sum of £152,315 has been expended, making in all £478,000, and leaving a balance of £522,000 unexpended.

As honourable members are aware, this loan has not yet been placed upon the market; but, in order to provide funds to cover the expenditure both made and in progress, it became necessary to obtain temporary advances to the extent of half a million upon short-dated debentures pending the raising of the loan. The liabilities outstanding at the 31st March, 1888, chargeable upon the balance of £522,000 amounted to £75,904.

No. 3 ACCOUNT.

The unexpended balance at the 31st March, 1887, of the loan of 1886, including £391,300 balance of the loan, and subject to deduction of £242,800 District Railway moneys not belonging to this account, was £769,234. The expenditure during the year amounted to £372,990, leaving an unexpended balance of £396,244; or, adding the moiety of the £300,000 debentures created under the Act of last session, to which I have already referred, the balance at credit of No. 3 Account at the 31st March, 1888, was £546,244, subject to liabilities amounting to £190,467.

SUMMARY.

The actual balance at credit of the Public Works Fund, as a whole, on the 31st March, 1887, was £786,294 13s. 9d., subject to a deduction of £242,800 for district railway debentures sold with the loan of 1886, but not forming part of the Public Works Fund. The balance at the beginning of the year for Public Works expenditure was therefore only £543,494 13s. 9d. During the year we received the balance of the loan of 1886, £391,300, and an advance of £500,000 borrowed by the late Government upon the North Island Main Trunk Railway Loan. These sums made together £1,434,794 13s. 9d., of which there was expended during the year £966,159 12s. 6d., leaving an unexpended balance at 31st March, 1888, of £468,635 1s. 3d., consisting of—

	£	s.	d.
Cash in the Public Account	408,715	8	11
Imperial guaranteed debentures	5,000	0	0
Advances in the hands of officers of the Government	54,919	12	4
Total	£468,635	1	3

The loans authorised but unraised amount to £1,500,000 (being £500,000 of the North Island Main Trunk Railway Loan and the £1,000,000 re-authorised this session); the balance on hand at the 31st March last, and the loans authorised but unraised, make together £1,968,635 1s. 3d., subject to liabilities at 31st March last of £471,695 6s. 3d.

GOVERNMENT LOANS TO LOCAL BODIES.

Up to 31st March, 1887, there had been borrowed under the provisions of "The Government Loans to Local Bodies' Act, 1886," for the purpose of making loans to local authorities, the sum of £50,000, and there had been lent £15,270, leaving £34,730 in hand. Last year there was borrowed a further sum of £75,000, and lent £93,571, so that the total amount borrowed to 31st March, 1888, was £125,000, of which there has been handed over to local authorities £108,841, leaving a balance of £16,159 unissued. At the same date the liabilities outstanding amounted to £29,224, consisting partly of balances of loans not fully taken up, certain local authorities having elected to take their loans by instalments.

The applications received in response to the notice published in the *Gazette*, on 19th January last, under section 16 of the Act, amount to £78,330, of which £6,980 are for second years' loans. Nearly all of these applications have been provisionally granted; and should the local authorities complete the steps necessary to give the security required a further sum of about £90,000 will have to be borrowed to enable the Treasury to make the loans, which will bring the total amount borrowed on this account up to £215,000.

The Government Loans to Local Bodies Act provides that the Treasurer may grant loans to local bodies to such an amount as shall be appropriated by Parliament for the purpose; but, in the event of no sum being appropriated, the Act authorised the Treasurer to make loans up to £200,000 in each year. In the first year no appropriation was made; last year £100,000 was appropriated; and as these two sums are largely in excess of the total amount of the loans applied for to date and granted, it is not intended to ask Parliament to appropriate any money for this purpose in the present session. The scheme of these loans to local bodies contemplated an annual payment of 5 per cent. per annum for twenty-six years, the colony to be responsible for payment of the principal sum, and to meet it by setting aside yearly a Sinking Fund of 2 per cent. to redeem the debentures at maturity. It was thought that the money could be borrowed at 1 per cent. less than the rate at which it was to be lent to the local bodies, and that a contribution of 1 per cent. from the Consolidated Fund would make up the Sinking Fund of 2 per cent. As, however, the rate of interest being paid by the Government is 5 per cent., it is probable that with respect to future loans the amount payable by local bodies may have to be increased, and I shall during the present session make a proposal to the House upon the subject.

REDUCTIONS EFFECTED IN PUBLIC EXPENDITURE.

Mr. Hamlin, before going further I will ask the attention of the Committee to the important subject of the reductions proposed last year to be made in the public expenditure.

It was proposed in the Financial Statement of November, 1887, to reduce the public expenditure by £300,000, particulars of which were given in Table No. 10 attached to that Statement. But the House disallowed the proposal to raise the school-age to six years, which was estimated to effect a saving of £30,000. So that the proposed total reductions, according to Table No. 10 as amended by the House, was £270,000. But, besides the sum I have named, there was an error in the item of Public Buildings of £8,000, that amount having been deducted twice from the estimated expenditure for the year. This item further reduces the possible saving under Table No. 10 to £262,000. The actual saving so far made is £233,097, or £28,903 less than we had hoped to accomplish. Honourable members will recollect that in Table No. 10 the

proposed reductions in the several departments were shown, and that there was an undistributed amount of £74,050 to be saved from those departments on which no reductions were shown, from travelling allowances, and from reductions in the number of persons in the public service who are receiving salaries of £150 and under, or are paid at daily rates. The total salaries and pay of this class amounts to £638,519. The salaries of all other persons in the service of the colony, except police, military forces, and country postmasters, amounts to £365,754. I have had a table prepared showing the saving thus far made; and also, for the sake of easy comparison, I have had Table No. 10 reprinted. These tables will be attached to this Statement when published, and by a glance at them honourable members will see that in every department under the annual appropriations, except Defence, more than the promised reductions have been made; and that, of the £74,050 undistributed, £53,730 has also been saved. This saving of £233,097, although not so much as the Government had hoped to make, will, I trust, be considered by the Committee as a not unreasonable approximation to our undertaking of last session, as modified and approved by the House. The saving upon the Defence expenditure is £42,434. We had estimated to save £46,000, but my colleague found, upon going very carefully into the question, that it would not be prudent for the present to make further reductions than have been made.

It is not desirable that I should here go at any length into an explanation of the principles which have guided us in reducing the numbers or salaries of the Civil servants. That will be more conveniently done when the Civil Service Bill, which the Government have prepared and propose bringing in shortly, is before the House. I may, however, here state that we propose to classify the whole of the Civil Service, and strictly limit the numbers of each class by Act, from which no deviation will be allowed without the approval of Parliament. I may also briefly mention other important changes in the direction of simplicity and economy, without the sacrifice of efficiency, and therefore such as will, I am sure, meet with the approval of the Committee. We propose to amalgamate the Native Department with that of the Colonial Secretary, making it a branch of that department. Our intention is, before the end of the year, to abolish the Public Works Department. We shall propose to continue the construction of such of the railways as are to be proceeded with under the staff of the Constructed Railways; and to hand over the whole of the road-works to the Survey Department, which is already charged with a large part of that work; employing local bodies, where possible, in carrying them out. A large saving will be effected by this arrangement. And it will no doubt be strong and satisfactory evidence to the people of the colony and the outside world that we are really bringing our large borrowing policy to an end when the department which has been, if I may say so, its organ and symbol, finally disappears.

I may say that the reducing of the Native Department to a subordinate position, and its amalgamation with the department of the Colonial Secretary, has been made possible and desirable by the fact that the Natives are desirous of taking a larger share in the management of their own affairs, so as to reduce greatly the work of the Native Office, and that this desire the Government think it right to encourage and assist. Bills with that object in view are now before the House.

FUTURE PENSIONS AND RETIRING ALLOWANCES.

We propose to bring in a separate Bill, supplementary to the Civil Service Bill, providing for the payment of all future pensions and retiring allowances to Civil servants not now entitled to a retiring allowance, out of a fund which will be kept up by monthly contributions from all the members of the Service who are not now entitled to the privileges of the Civil Service Acts at present in force, with, perhaps, a small contribution from the State. The principle, we have no doubt, is a sound one, and its operation beneficial to all concerned.

ESTIMATED EXPENDITURE FOR THE YEAR 1888-89.

ORDINARY REVENUE ACCOUNT.

This brings me to the proposed expenditure for the year 1888-89. The estimated ordinary expenditure is £3,953,593, full particulars of which appear in the Estimates, which will be in the hands of honourable members at the earliest possible moment. The estimated amount of interest which will be paid during the year is £1,838,539, being £72,872 more than the interest paid during the year 1887-88.

The chief items comprised in this increase of £72,872 are £13,500 for about six months' interest paid at the beginning of this year on the £500,000 borrowed temporarily by the late Government in October last; £20,000 interest on the £400,000 issued to cover in part the deficits of the past two years, and about six months' interest on the £2,000,000 about to be raised. With regard to the latter I may state that while the full amount estimated to be payable appears in the estimates of expenditure, a large saving will be effected by investing in our own or other securities the balances of the loans not immediately required for expenditure.

LAND FUND.

The estimated expenditure chargeable against the Land Fund is £107,245, made up of £18,800 for payments to local bodies under permanent Acts; £2,400 Rates on Crown Lands; and £86,045 for Crown Lands and Surveys. Last year the total expenditure was £158,474; £16,501 being for payments under permanent Acts; £40,724 for Rates, and £101,249 for Crown Lands and Surveys, on which latter item there is for this year a reduction of £15,403. Rates on Crown lands it is not intended to continue this year, except in special cases where rights have arisen.

TOTAL ESTIMATED EXPENDITURE.

The total estimated expenditure is therefore £4,060,838, being £3,953,593 against ordinary revenue, and £107,245 against the Land Fund. But no provision is made in these Estimates for school or other public buildings, and for subsidies to local bodies, our proposals for these I will submit presently.

ESTIMATED REVENUE FOR THE YEAR 1888-89.

The estimated ordinary revenue for the year 1888-89, on the basis of the present taxation, including the sum of £263,200 to be received as proceeds of the sale of what are known as the Sinking Fund debentures, is £3,897,400. Particulars of the sources whence this revenue is expected to be derived will be found in a table appended to this Statement.

The estimated revenue from land is £119,000.

ESTIMATED RESULTS OF THE YEAR 1888-89.

Our total estimated revenue is therefore from all sources £4,016,400, and the estimated expenditure being £4,060,838 leaves a deficit of £44,438 on the whole revenue. But as the Land Fund is estimated to give a small surplus of £11,755, and as we do not now use any surplus Land Fund as ordinary revenue, we have to provide a sum of £56,193 to make our ordinary expenditure and revenue balance, in addition to the amount required for school and other public buildings, and for subsidies to local bodies.

The amount which the Government estimate will be required for expenditure on public buildings from revenue for the year is £60,000, being £30,000 for school buildings, £17,000 for the General Post Office, and £13,000 for other buildings, particulars of which will be given by my colleague, the Minister for Public Works, in his annual Statement. This, added to the estimated deficit of the ordinary revenue, and including £30,000 subsidies to local bodies, to be

referred to presently, makes the total amount to be provided £146,193, if no further reductions are thought prudent. Upon that supposition we have now to consider how the large sum I have named is to be raised, for we are all agreed that sufficient revenue must be raised to meet our expenditure.

But, before I show how the Government think this amount should be raised, I must bring under the notice of the Committee the question of subsidies to local bodies.

SUBSIDIES TO LOCAL BODIES.

I last year expressed the opinion of the Government that, if subsidies to local bodies were to continue, one-half of the amount should no longer be paid from loan, as is the case at present, but that the whole amount, whatever it might be, should be provided for from revenue—that is to say, by taxation.

The Government, after careful consideration, have come to the conclusion that the payment of subsidies must be continued, or the work of the local bodies will be practically paralysed, causing serious inconvenience throughout the country districts; but they think that the colony should clearly understand that continued payment means additional taxation. The Government are also of opinion that, if the payment is to be continued, a special tax, or portion of a tax, should be set apart for subsidies, and that the amount raised should be divided amongst the local bodies on the same plan as is now in force. It is also desirable that the tax set apart should be one which will increase with the increase of population. They, therefore, propose that the tax on tea should be increased by two pence per pound, and that one-half of the whole duty received from tea shall be set aside and devoted to the payment of these subsidies. Through speculative clearances, and two months of the year having already past, the estimated produce of the tax for this year with the additional duty added, will only be £114,000, one-half of this will be £57,000. This amount will not be enough to pay a subsidy of five shillings in the pound for the current year, I shall therefore ask authority to provide the amount, if deficient, from general revenue for the year 1888–89; but next year and afterwards, when there will be no disturbing cause in the collection of the tax, I propose that one-half the tea duty should be set apart for the subsidies, and that that amount, whatever it may be, and whether more or less than the proportional payment now made of five shillings in the pound, should be all the aid that will be given from the general revenue, that is by the colony at large, to the local bodies. This, if adopted, will cause a loss for the present year to the general revenue of about £30,000, which it will be necessary to make good from general Customs duties.

PROPERTY-TAX

It is not proposed to make any alteration in the rate of the Property-tax this year. But I shall ask the House to agree to remissions to a certain amount on some classes of machinery. The loss to the revenue, if these remissions are agreed to, will probably be about £4,000.

TARIFF.

I now come to the question as to how the £146,193, which I have shown to be wanting, can best be raised. After much careful deliberation the Government have determined to ask authority to raise the amount required by an increase in the Customs duties, as being on the whole the best course in the general interest of the community.

But then arises the further important question, whether the increase should be general over a large number of articles included in the tariff, or whether the amount required should be raised from the two articles tea and sugar? With regard to the first of these, I have already expressed the opinion of the Government that, to furnish the subsidies to local bodies, an additional duty of twopence a pound should be put upon tea, which is as much as we think it should bear. There remains the question of additional duty on sugar, and the

Government are fully alive to all that can be said in favour of this ; nevertheless, the Government do not propose to put any additional duty on sugar. The reasons which led them to this determination are briefly these: Sugar may fairly be called a necessary article of food, the more widely and largely used of any food imported: it is extensively used in our manufactures, and it will always be available if at some future time, and upon some unforeseen contingency, a need for some additional revenue should arise; and it will moreover be available with the least possible disturbance of trade. We therefore think that the sum required should be raised by an increase of a general character.

I have given the subject of the tariff much anxious thought during the recess. The very numerous suggestions received from manufacturers, and the many conflicting interests concerned, of both producers and consumers, have received careful consideration. The Government have endeavoured in the duties proposed to adjust fairly between these conflicting interests the burdens to be borne. Recognising the fact that a free-trade tariff and a prohibitive tariff are equally incompatible with the amount which we must raise, and admitting, what must be admitted, that the imposition of heavy Customs duties necessarily affects the course of trade and industry, we have endeavoured, while making revenue our first object, so to adjust the proposed duties as to assist our local manufactures, without any more pressure, as we believe, upon the consumer than is inevitable, if we are to raise by Customs duties a yearly sum of not less than £1,450,000 for the purposes of ordinary revenue. And it does not seem to me that we can prudently reckon to do with less than that sum from the Customs, for some years to come, when we look at the total amount of revenue which must be raised, and at the other sources of revenue open to us.

I have said that careful attention has been given to the details of our proposals; but I can hardly hope in so complicated a matter as a complete revision of the tariff, where so many conflicting interests have to be dealt with and as far as possible reconciled, and where it is imperative, as in this case, to raise a large revenue,—I say I can scarcely hope that errors and anomalies will not be found. I trust, however, that if any such there are they will, with the assistance of the Committee, be amended or removed.

I will ask honourable members,—both Freetraders and Protectionists,—in approaching the consideration of the question of the particular duties proposed, to keep very prominently before their minds the one inexorable condition of the problem—the necessity we are under of raising a large revenue by means of these duties. If this essential point is given its due weight, a great deal of the difficulty which would otherwise attend the detailed discussion upon the tariff will, I am sure, be removed. I will not here give honourable members details of the proposed increases and alterations, because in a few minutes they will have to be read out in the form of a resolution for the approval of the Committee. I may, however, say that it is proposed to raise a large number of articles from 15 per cent. to 20 per cent. *ad valorem*, and some to 25 per cent., and to increase specific duties in many cases proportionately, due regard being given in both classes to the requirements of the colony and the conflicting interests involved. Some articles have been added to the free list, and some removed which experience has taught should not be free. The total amount which these duties will raise is estimated at £173,000; but I can only give this as approximate, as, under the circumstances, for reasons which will be obvious to honourable members, it is impossible to estimate with anything like accuracy the results of the considerable changes we are proposing.

I may here point out that £25,000 of this taxation would not be necessary if Parliament saw fit to raise the school age at which capitation is payable to six years instead of five, as at present, and to abolish the Education Boards. The Government do not intend to propose the alteration this year in deference to what they believe to be the wish of Parliament as expressed in the last session; but I feel it my duty to point out to the Committee where another £25,000 a year could be saved without any injury whatever to our educational system; and I would ask honourable members again to consider whether the colony can at present afford so large a sum to provide what is little more than nursery accommodation.

REDEMPTION OF DEBENTURES ISSUED TO PAY OFF DEFICIENCY.

It will be in the recollection of the Committee, that last session I pointed out that the Consolidated Fund was actually benefitting to the extent of about £40,000 a year by the creation of debentures for the full amount of the accretions of the Sinking Fund, and that I proposed to set this sum aside yearly to pay off the £400,000 4 per cent. debentures issued last year to pay off the deficiency. From the facts I have already stated, I think honourable members will agree that to do so this year would be putting too great a strain upon the taxpayers. But there is a sum of £70,000 known as the Assurance Fund under the Land Transfer Act which the Government think may wisely be applied to the payment of a part of the £400,000 just referred to. The real Guarantee Fund under the Land Transfer Act is the Consolidated Fund, which is responsible for the errors of the Land Transfer office. The public using the office pay an insurance fee for such guarantee, and the Government are of opinion that these fees should be paid in as revenue, that any claims arising should be paid as they arise, and then come before Parliament as unauthorised expenditure. It is practically useless to set aside a fund which may be too large or too small for its nominal purpose, which requires investment, and all the annual labour and expenditure which that entails, and which, when invested, as it always has been, gives those, with a right upon it, only the same security they would have without it—the liability of the colony.

UNRAISED LOANS.

The error which occurred in the nineteenth section of the Loan Act of last session rendered it impossible to float that loan in London until the Act was amended, and it also raised some doubt of the wisdom of placing the North Island Trunk Loan upon that market, until after the amendment had been made. The Government had therefore to consider whether sufficient funds were available for carrying on the public works, and for other necessary purposes, without floating these loans until Parliament should meet at the usual time. If funds had not been available Parliament must have been called together about the end of February. I found, however, that satisfactory arrangements could be made, and so avoided the great public inconvenience of holding a session before the Government had had time to prepare any of the work they had undertaken to submit to Parliament at its next meeting. The arrangements made were, firstly, an agreement with the Colonial Bank of New Zealand for an advance of £400,000 at 5 per cent. for three years upon the security of the £400,000 of 4 per cent. debentures issued under the Public Revenues Act No. 3 of last session to cover the estimated deficit. Of this sum £300,000 was paid into our public account in London, and £100,000 was taken in the form of a draft at 90 days' sight also payable in London. No commission of any kind or exchange was paid. Secondly, the advance obtained by the late Government from the Bank of New Zealand of £500,000 upon the security of £500,000 of the North Island Trunk Loan short-dated debentures, which fell due in April last, was renewed till the 31st July next at the same rate of interest as was charged on the original advance—namely, 5 per cent. for £400,000, and 6 per cent. for £100,000. We have received no other advances except advances obtained by the Agent-General on the Imperial guaranteed debentures, and the usual ones upon deficiency bills in anticipation of revenue. The only large payments we have to meet in London shortly are £200,000, repayment of deficiency bills due in July, and the £500,000 short-dated debentures of the North Island Trunk Loan due on the 31st July next. My reasons for asking Parliament to correct the error which had occurred in the Loan Act of last year before the delivery of the Financial Statement were that the error to be corrected was an admitted oversight, hardly more than a clerical error; that the policy involved in the Act had been very fully discussed last session, and carried by large majorities; that by the advice of our Agent it was important to have the loan ready for floating in this present month now just ending; that in the event of any great disturbance of the London market, as by a European war

occurring before the loan was raised, serious loss would result to the colony in raising it; that delay in passing the Act would have caused embarrassment and loss in making necessary further temporary arrangements for meeting engagements, these temporary expedients being the very thing I had with much trouble been arranging to avoid; and that serious delay must have resulted if the amended Act which has been passed had been postponed until after the delivery of this Statement.

And now let me say a few words as to the expenditure of loan money for the year. We think that no further contracts should be let on the North Island Trunk Railway, and very little, if any, work be done on the other lines named in the Schedule of the Loan Acts, for the present year. But, it may naturally be objected, if we are going to spend so little, why should we not have borrowed less? I think, Mr. Hamlin, the reply to that is sufficient. We are now about to go upon the London market for the last time for three years at least. Whatever, therefore, may be wanted within that period must be provided now; and, having to look forward so far, and, considering the large works unfinished, some of which must be continued as our means and the other circumstances of the colony will allow, whilst others of little comparative magnitude, but of immediate necessity, have to be undertaken, it would be eminently unwise not to allow ourselves some reasonable margin. But I certainly need not recapitulate here the arguments which last session induced the Legislature, whilst insisting on great retrenchment, to sanction this loan as involving true economy. And, though we are now proposing to expend the loan even more slowly than was then contemplated, the colony will not be put to the least additional expense by reason of the whole of the loan being immediately raised. Such part of the proceeds of the loan as require investment can be at once invested in redeeming the Imperial guaranteed debentures, and others if those should not prove enough.

POST OFFICE SAVINGS BANK.

The Committee will remember that last year I promised that I would, as soon as possible, invest some of the Post Office Savings Bank deposits in Imperial guaranteed debentures. This has been done to the extent of £200,000. The Government are desirous of increasing the amount invested on easily saleable securities, but the difficulties are great if the present rate of interest which is payable to the depositors is continued, and this seems desirable as long as it can be done without loss to the colony.

It is very gratifying to find that the deposits and number of depositors continue to increase, and that even during the first three months of this year the increase in the deposits has been £67,000 over the withdrawals, and the increase of the depositors 1,781. The amount of deposits on credit in the Post Office Savings Bank on the 31st March, 1888, was £1,861,337, and in the other Savings Banks, which are also guaranteed by the colony, was £600,967, making a grand total of not less than £2,462,304, amongst 99,277 depositors. These figures and the fact they disclose—that a large part at least of our industrial classes are able to put by and invest such very considerable sums from their earnings—afford satisfactory evidence of the substantial prosperity of this most important class of our community.

PROVISION FOR THE DEFICIT OF 1887-88.

I have now, Mr. Hamlin, to state how it is proposed to meet the £128,603 standing to our debit on the 31st March last. We are, I assume, all agreed that it must be paid off, and not made part of the permanent debt. This being so, and there being nothing in hand to pay it with, the question arises as to what form the necessary taxation shall take. It is clear to the Government that we must not let the paying off this debt depend upon the occasion of a sufficient surplus at some future time, and we think a special tax should be imposed and set apart for the purpose. Our proposal, if somewhat novel, will, I

hope, meet with the approval of the Committee. It is that a primage duty of one per cent. be levied upon all goods imported into the Colony, whether free or dutiable, for two years, and that the proceeds be applied to the payment of the £128,000. This duty it is estimated will yield about £58,000 a year, and the small balance over may be safely left to be met from the ordinary revenue.

THE CROWN AND NATIVE LANDS RATING ACT.

This Act, as I stated last year, it is the intention of the Government to ask Parliament to repeal, reserving any rights that have been created under it; and the local bodies interested have received notice not to expect any further payments under the Act. I much regret the necessity for repealing this Act, for there is no doubt that the repeal will severely affect some of the local bodies.

GENERAL SUMMARY.

To summarise, then, for the convenience of honourable members, the result of my proposals, we find that, after the reduction of our ordinary expenditure by £233,000, the expenditure which we deem necessary is some £70,000 for the year more than our income from our present sources of revenue; that, to provide school and public buildings from revenue, an additional £60,000 is required; that, to continue the subsidies to Local Bodies, and to pay them all from revenue, as must be done if they are to be paid at all, another £64,000 is necessary; and that, to pay the balance of last year's deficit of £128,000, a sum of £58,000 must be provided this year and the balance in the succeeding year. Adding, then, these several amounts together, we find there is required—

To balance Revenue and Expenditure	....	....	£56,000
To provide for School and Public Buildings	....	....	60,000
To provide for the Subsidies	....	....	£64,000
			£180,000

And £58,000 for two years on account of last year's deficit of £128,000.

To provide this sum of £180,000, I have proposed additional Customs duties, estimated to yield £207,000. If the estimate should prove correct, we shall have a surplus of £27,000; so that the margin allowed is none too much.

The Committee will remember that last year the Property-tax was increased by £65,000, but no alterations were made in the Customs duties. I would desire here to call particular attention to the fact that of this £180,000 now proposed to be raised by additional taxation, £107,000 has hitherto been provided from loan—namely, £60,000 for buildings, £32,000 for subsidies, and £15,000 for defence.

Honourable members will no doubt feel with the Government that the proposed additions to our taxation are large; but if, after consideration, it is found necessary to continue the services named, it is clear the money must be found. My endeavour has been to place clearly before the Committee what our real wants are—to point out what services are rendering the increased taxation necessary, and to show how the required funds can, in our opinion, be best provided.

The matter is now in the hands of the Committee. I have laid before it the material facts relating to the financial position of the colony as clearly, as fully, and as fairly as I could. If the task has not been the pleasant one it would have been if, instead of providing for a deficit we had had to dispose of a handsome surplus, we have the satisfaction of knowing that a searching examination of the colony's accounts reveals nothing to make us doubt for a moment its financial soundness; just as, I believe, a similar examination of the material circumstances of the colony would, in spite of adverse facts, show beyond doubt its substantial prosperity. And I am sure the Committee will agree in the opinion which I hold strongly, that one of the surest means, or at least the necessary condition of increasing that prosperity, is by adhering firmly, at whatever present inconvenience, to the sober financial policy of last session.

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STATEMENT of the RECEIPTS and EXPENDITURE of the **CONSOLIDATED FUND**

ORDINARY REVENUE

RECEIPTS.	1887-88.		1886-87.	
	£	s. d.	£	s. d.
Balances to begin the Year with,—				
Cash	158,176	6 9	66,633	9 2
Advances in the hands of Officers of the Government,—				
In the Colony	8,502	13 7	9,914	2 2
In London	20,126	17 4	36,310	18 10
	186,805	17 8	112,858	10 2
Ordinary Revenue,—				
Customs	1,251,651	8 0	1,285,764	13 0
Stamps, including Postal and Telegraph Cash Receipts	587,318	12 0	601,162	12 8
Property-tax	376,576	12 10	310,897	2 3
Beer Duty	52,000	12 2	53,493	19 4
Railways	981,826	4 0	992,186	17 4
Registration and other Fees	35,596	5 1	37,034	11 7
Marine	16,899	2 1	13,070	11 5
Miscellaneous	35,860	10 1	145,231	12 3
	3,337,729	6 3	3,438,841	19 10
Territorial Revenue,—				
Depasturing Licenses, Rents, and Miscellaneous	183,761	0 10	192,585	11 1
	3,521,490	7 1	3,631,427	10 11
Receipts in aid,—				
Debentures issued under "The Consolidated Stock Act, 1884," for increases of Sinking Fund	258,184	0 0	251,000	0 0
Debentures issued under "The Public Revenues Act, 1886," to redeem Deficiency Bills .. .. .	..		150,000	0 0
Debentures issued under "The Public Revenues Act, 1887 (No. 3)," to provide for estimated deficit on 31st March, 1888	400,000	0 0	..	
Sinking Funds set free,—				
"Consolidated Loan Act, 1867" .. .. .	..		123,300	0 0
"Wellington Loan Act, 1886" .. .. .	..		2,190	0 0
"New Zealand Loan Act, 1863" .. .. .	..		38,627	11 8
Deficiency Bills outstanding	778,000	0 0	279,100	0 0
	£5,144,480	4 9	£4,588,503	12 9

LAND FUND

Land Sales,—				
For Cash	32,516	1 6	48,728	10 1
On Deferred Payments	46,039	0 11	48,818	0 6
Recovery from Public Works Fund in respect of Rates paid on Native Lands from this account .. .. .	..		22,508	15 0
Recovery on account of expenditure of previous years	832	5 5	..	
	79,387	7 10	120,055	5 7
Balance at end of Year,—				
Cash overdrawn	135,115	9 1	56,239	14 10
Less Advances in the hands of Officers of the Government	1,765	7 0	1,976	11 9
	133,350	2 1	54,263	3 1
	£212,737	9 11	£174,318	8 8

No. 1.

for the Year ended 31st MARCH, 1888, compared with the Financial Year ended 31st MARCH, 1887.

ACCOUNT.

EXPENDITURE.	1887-88.	1886-87.
	£ s. d.	£ s. d.
Permanent Appropriations,—		
Civil List	27,833 14 4	31,015 2 6
Interest and Sinking Fund	1,765,667 11 10	1,642,876 2 1
Under Special Acts of the Legislature	191,913 10 4	161,134 15 5
Moiety of Subsidies payable under the Local Bodies' Finance and Powers Acts	46,671 12 10	49,806 9 2
Amounts paid over to Local Bodies in respect of Rents under the Land Acts, 1884, 1885	3,103 0 10	284 19 3
Endowments,—		
New Plymouth Harbour Board	254 11 5	206 4 1
Greymouth Harbour Board	11,585 4 7	10,328 11 8
Westport Harbour Board	8,864 0 1	10,427 18 3
	2,055,893 6 3	1,906,080 2 5
Annual Appropriations,—		
Class I.—Legislative	16,269 18 5	17,626 3 3
„ II.—Colonial Secretary	151,838 8 10	162,727 6 9
„ III.—Colonial Treasurer	35,131 4 6	54,690 17 3
„ IV.—Minister of Justice	114,608 0 8	118,570 19 7
„ V.—Postmaster-General	268,282 14 3	290,046 2 7
„ VI.—Commissioner of Trade and Customs	69,217 8 8	80,751 4 0
„ VII.—Commissioner of Stamps	24,996 0 11	30,120 2 11
„ VIII.—Minister of Education	368,798 0 5	371,602 11 11
„ IX.—Minister of Native Affairs	16,801 16 10	26,836 0 6
„ X.—Minister of Mines	20,630 4 4	32,693 7 4
„ XI.—Working Railways	699,750 8 5	695,771 5 8
„ XII.—Minister for Public Works	23,248 14 6	28,174 13 11
„ XIII.—Minister of Defence	209,998 11 8	182,568 17 5
Services not provided for	7,170 4 8	14,337 19 7
	2,026,741 17 1	2,106,517 12 8
Debentures redeemed,—		
Consolidated Stock, 1884 (Colonial issue) .. .. .	.. .. .	164,100
Deficiency Bills redeemed	279,100 0 0	225,000
	279,100 0 0	389,100 0 0
Balance at end of Year,—		
Cash in the Public Account	758,292 16 6	158,176 6 9
Advances in the hands of Officers of the Government,—		
In the Colony	9,137 19 5	8,502 13 7
In London	15,814 5 6	20,126 17 4
	782,745 1 5	186,805 17 8
Totals	£5,144,480 4 9	£4,588,508 12 9

ACCOUNT.

Balance to begin the Year with,—		
Cash overdrawn	56,239 14 10	25,457 3 2
Less Advances in the hands of Officers of the Government	1,976 11 9	5,073 2 6
	54,263 3 1	20,384 0 8
Permanent Appropriations,—		
One-third of Proceeds of Land sold on Deferred Payments paid over to Local Bodies	11,586 13 2	14,568 4 2
Amount paid under section 7 of "The Local Bodies' Finance and Powers Act, 1885" .. .. .	.. .. .	122 1 3
Amount paid under clause 40 of "The Special Powers and Contracts Act, 1886" .. .. .	.. .. .	394 17 11
New Plymouth Harbour Board Endowment	4,914 10 7	3,852 7 9
Annual Appropriations,—		
Class XIV.—Minister of Lands	101,247 6 9	97,836 13 4
„ XV.—Rates on Crown Lands	40,723 10 4	36,156 0 6
Services not provided for	2 6 0	1,004 3 1
	158,474 6 10	153,934 8 0
Totals	£212,737 9 11	£174,318 8 8

STATEMENT of the RECEIPTS and EXPENDITURE of the CONSOLIDATED FUND

STATE FORESTS

RECEIPTS.	1887-88.	1886-87.
Balance to begin the Year with,—	£ s. d.	£ s. d.
Cash in the Public Account .. .. .	..	379 6 1
Advances in the hands of Officers of the Government .. .. .	..	108 6 7
		487 12 8
Debentures created under "The New Zealand State Forests Act, 1885" ..	5,500 0 0	..
Rents from Lands set apart	3,772 12 11	109 10 4
Miscellaneous .. .. .	..	3,764 5 1
	9,272 12 11	3,873 15 5
Balance at end of Year,—		
Cash overdrawn	117 4 2	1,478 11 2
Less advances in the hands of Officers of the Government,—		
In the Colony	42 15 3	..
	74 8 11	1,478 11 2
Totals	£9,347 1 10	£5,839 19 3

ACCOUNTS OF

Balance to begin the Year with,—		
Cash in the Public Account	5,516 4 11	7,357 18 2
Advances in the hands of Officers of the Government,—		
In the Colony .. .. .	..	9 4 3
	5,516 4 11	7,367 2 5
Revenue appropriated to Local Bodies,—		
Fees, Fines, &c.	2,152 3 4	2,375 16 11
Endowments of Land, &c.	7,629 7 6	8,438 9 5
Goldfields Revenue	15,151 1 4	14,319 19 3
Gold Duty	20,038 13 11	22,583 1 8
Counties Separate Accounts,—		
Revenue of Counties in which "The Counties Act, 1886," is not in full operation	325 0 6	80 4 0
Advance Account,—		
Amount received from Local Bodies	1,224 2 11	
	46,520 9 6	47,797 11 3
Balance at end of Year,—		
Cash overdrawn	17,044 17 7	
Less advances in the hands of Officers of the Government,—		
In the Colony	476 19 11	
	16,567 17 8	
Totals	£68,604 12 1	£55,164 13 8

No. 1—continued.

for the Year ended 31st MARCH, 1888, compared with the Financial Year ended 31st MARCH, 1887.

ACCOUNT.

EXPENDITURE.	1887-88.	1886-87.
Balance to begin the Year with,—	£ s. d.	£ s. d.
Cash overdrawn	1,478 11 2	..
Annual Appropriations,—		
Class XVI.—Minister of Lands	7,671 13 0	5,769 19 11
Permanent Appropriations,—		
Interest on Debentures	196 17 8	69 19 4
Totals	£9,347 1 10	£5,839 19 3

LOCAL BODIES.

Revenue paid over to Local Bodies,—		
Fees, Fines, &c.	2,130 3 6	2,363 1 0
Endowments of Land, &c.	7,234 8 4	8,303 18 4
Goldfields Revenue	13,958 10 6	15,118 9 2
Gold Duty	20,306 2 9	23,104 6 1
	43,629 5 1	48,889 14 7
Counties Separate Accounts,—		
Amount distributed amongst Road Boards where "The Counties Act, 1886," is not in full operation	336 18 11	246 1 9
Advance Account,—		
Amount paid on behalf of Local Bodies .. .. .	..	512 12 5
Unauthorised	24,638 8 1	..
		49,648 8 9
Balance at end of Year,—		
Cash in the Public Account .. .. .	..	5,516 4 11
Totals	£68,604 12 1	£55,164 13 8

STATEMENT of the RECEIPTS and EXPENDITURE of the CONSOLIDATED FUND

DEPOSIT

RECEIPTS.	1887-88.	1886-87.
Balance to begin the Year with,—		
Cash in the Public Account	£ 62,657 13 8 s. d.	£ 41,965 6 2 s. d.
Advances in the hands of Officers of the Government,—		
In the Colony	3 2 3	100 0 0
In London	14,022 15 5	16,022 15 5
	76,683 11 4	58,088 1 7
Lodgments,—		
Auckland Museum Endowment	373 10 0	.. .. .
Armed Constabulary Reward Fund .. .. .	.. .. .	80 11 0
Armed Constabulary Reward Fund Investment .. .. .	.. .. .	2,000 0 0
Emigrants' Deposits	6,792 13 6	8,800 0 0
General Assembly Library Fund	120 0 0	110 0 0
Hospitals and Charitable Institutions Act, 1885	360 3 6	.. .. .
Indian and Colonial Exhibition Account	67 0 8	.. .. .
Miscellaneous	46,140 14 2	40,675 19 7
Moeraki Harbour Board Fund .. .. .	.. .. .	1,725 0 0
Moeraki Harbour Fund Investment Account	525 0 0	1,200 0 0
Native Land Act, 1873 (No. 2)	162 10 0	162 10 0
Native Land Purchases	1,449 3 2	1,778 9 0
Nelson Rifle Prize Fund	66 0 0	66 0 0
New Zealand University Endowment, Canterbury	75 0 0	150 0 0
New Zealand University Endowment, Westland	15 5 0	15 5 0
North Island Main Trunk Railway Loan Application Act, 1886	1,165 19 8	.. .. .
Thermal-springs Districts Act, 1881	175 11 2	266 5 3
Trustees Act, 1883	143 8 0	.. .. .
Westland Loan Act 1873 Redemption	75 4 0	133 11 3
	57,707 2 10	57,163 11 1
Totals	£134,390 14 2	£115,251 12 8

Treasury, Wellington, 13th April, 1888.

Examined and found correct as regards the Railway Receipts.

J. P. MAXWELL,
General Manager, New Zealand Railways.

No. 1—continued.

for the Year ended 31st MARCH, 1888, compared with the Financial Year ended 31st MARCH, 1887.

ACCOUNTS.

EXPENDITURE.	1887-88.	1886-87.
Withdrawals,—	£ s. d.	£ s. d.
Armed Constabulary Reward Fund .. .. .	.. .. .	2,351 15 8
Auckland Museum Endowment	336 18 6	23 6 3
Emigrants' Deposits	6,542 13 6	8,800 0 0
General Assembly Library Fund	120 0 0	110 0 0
Hospitals and Charitable Institutions Act, 1885	344 7 11	..
Miscellaneous	51,826 15 3	23,397 4 2
Moeraki Harbour Board Fund	1,500 0 0	225 0 0
Moeraki Harbour Board Fund Investment .. .. .	..	1,725 0 0
Native Land Act, 1878 (No. 2)	202 10 0	112 10 0
Native Land Purchases	1,898 5 3	1,231 18 9
Nelson Rifle Prize Fund	66 0 0	66 0 0
North Island Main Trunk Railway Loan Application Act, 1886	312 16 2	..
Receiver-General's Account	10,000 0 0	..
Thermal-springs Districts Act, 1881	7 0 4	327 7 9
Trustees Act, 1883	49 18 0	..
Westland Loan Act 1873 Redemption	35 7 6	147 18 9
Working Railways Account	5 0 0	..
	73,247 12 5	33,568 1 4
Balance at end of Year,—		
Cash in the Public Account	59,121 2 1	62,657 13 8
Advances in the hands of Officers of the Government,—		
In the Colony	463 7 0	3 2 3
In London	1,558 12 8	14,022 15 5
	61,143 1 9	76,683 11 4
Totals	£194,390 14 2	£115,251 12 8

JAMES C. GAVIN,
Secretary to the Treasury.

JAMES B. HEYWOOD,
Assistant-Secretary and Accountant.

Examined and found correct, except as regards the Railway Receipts, which are not audited by the Audit Office.

JAMES EDWARD FITZGERALD,
Controller and Auditor-General.

STATEMENT of the RECEIPTS and EXPENDITURE of the PUBLIC WORKS FUND

Part I.

RECEIPTS.	1887-88.	1886-87.
Balance to begin the Year with,—	£ s. d.	£ s. d.
Cash in the Public Account .. .. .	.. .. .	174,075 7 9
Advances in the hands of Officers of the Government,—		
In the Colony	4,727 1 9	16,602 15 9
In London	14,298 3 4	60,853 11 4
Temporary advances to Part II.	331,383 15 10	.. .. .
Investments	587,643 12 3	517,247 19 5
	968,052 13 2	
Less cash drawn against Investments	476,807 0 8	.. .. .
	491,245 12 6	768,779 14 3
Debentures created for purchase of District Railways,—		
Duntroon and Hakateramea Railway .. .. .	.. .. .	61,100 0 0
Thames Valley and Rotorua Railway .. .. .	.. .. .	40,187 7 11
Waimate Railway .. .. .	.. .. .	33,900 0 0
Waimate Plains Railway (proceeds of £34,000) .. .. .	.. .. .	31,000 0 0
		166,187 7 11
Sinking Fund released under "The Consolidated Stock Act, 1884,"—		
In respect of "The Wellington Loan Act, 1866" .. .. .	.. .. .	8,311 17 9
Amounts transferred in respect of Expenditure of previous Years,—		
From Part II., for Construction and Permanent-way Material .. .. .	.. .. .	137,779 15 1
From Part III., for Permanent-way Material .. .. .	.. .. .	213,000 0 0
	.. .. .	350,779 15 1
Temporary advance from Part III.	150,000 0 0	.. .. .
Totals	£641,245 12 6	£1,294,058 15 0

Part II.

Balance to begin the Year with,—		
Advances in the hands of Officers of the Government,—		
In the Colony	5,698 13 0	.. .. .
Temporary advances from Part I. .. .. .	.. .. .	331,383 15 10
Temporary advances on short-dated Debentures	500,000 0 0	.. .. .
Totals	£505,698 13 0	£331,383 15 10

No. 1—continued.

for the Year ended 31st MARCH, 1888, compared with the Financial Year ended 31st MARCH, 1887.

Part I.

EXPENDITURE.		1887-88.	1886-87.
Annual Appropriations,—		£ s. d.	£ s. d.
Class I.—Immigration		15,597 14 10	12,453 17 11
Class II.—Public Works, Departmental		6,006 5 2	12,895 12 3
Class III.—Railways		1,408 5 4	16,728 14 7
Class IV.—Roads		198,347 15 8	264,716 19 10
Class V.—Waterworks on Goldfields		1,015 11 5	7,665 7 8
Class VI.—Purchase of Native Lands, North Island		1,514 9 0	18,457 5 10
Class VII.—Telegraph Extension		22,984 6 1	18,951 14 8
Class VIII.—Public Buildings		90,328 15 0	89,498 5 1
Class IX.—Lighthouses, Harbour Works, and Defences		76,825 5 5	143,705 4 3
Class X.—Rates on Native Lands		8,196 8 1	25,138 18 1
Class XI.—Thermal Springs		2,999 3 6	7,813 14 5
Contingent Defence .. .. .		..	12,500 0 0
		425,223 19 6	630,525 14 7
Services not provided for		15,630 9 0	6,100 0 0
Purchase of District Railways,—			
Duntroon and Hakateramea Railway .. .. .		..	61,100 0 0
Thames Valley and Rotorua Railway (balance) .. .. .		..	40,187 7 11
Waimate Railway .. .. .		..	33,900 0 0
Waimea Plains Railway .. .. .		..	31,000 0 0
		..	166,187 7 11
Balance at end of Year,—			
Cash in the Public Account		177,208 13 8	..
Advances in the hands of Officers of the Government,—			
In the Colony		1,575 3 0	4,727 1 9
In London		16,607 7 4	44,298 3 4
Investments		5,000 0 0	587,643 12 3
Temporary advances to Part II. .. .. .		..	331,383 15 10
		200,391 4 0	968,052 13 2
Less cash drawn against Investments .. .. .		..	476,807 0 8
		200,391 4 0	491,245 12 6
Totals		£641,245 12 6	£1,294,058 15 0

Part II.

Temporary advances from Part I. repaid		331,383 15 10	
Annual Appropriations,—			
Class I.—Public Works, Departmental		5,000 0 0	2,772 14 4
Class II.—Railways		102,776 5 1	252,533 16 2
Class III.—Roads		20,410 1 0	..
Class IV.—Purchase of Native Lands		24,128 14 8	70,378 12 4
		152,315 0 9	325,685 2 10
Balance at end of Year,—			
Cash in the Public Account		9,716 10 9	..
Advances in the hands of Officers of the Government,—			
In the Colony		2,043 5 8	5,698 13 0
In London		10,240 0 0	..
		21,999 16 5	5,698 13 0
Totals		£505,698 13 0	£331,383 15 10

STATEMENT of the RECEIPTS and EXPENDITURE of the PUBLIC WORKS FUND

Part III.

RECEIPTS.	1887-88.	1886-87.
Balance to begin the Year with,—		
Cash in the Public Account	£ s. d. 463,546 17 5	£ s. d.
Advances in the hands of Officers of the Government,—		
In the Colony	4,541 8 7	
In London	22,587 7 2	
Investments	130,058 10 11	
	620,734 4 1	
“New Zealand Loan Act, 1886,”—		
Proceeds of Loan in 4-per-cent. Inscribed Stock	391,300 0 0	1,176,500 0 0
Temporary advances	300,000 0 0	..
	691,300 0 0	
Totals	£1,312,034 4 1	£1,176,500 0 0

CONVERSION

Balance to begin the Year with,—		
Cash in the Public Account	89,874 15 6	11,439 10 0
Advances in the hands of—	15,239 18 11	254,761 16 5
Stock Agents	86,300 0 0	55,300 0 0
Crown Agents		
	191,414 14 5	321,501 6 5
Proceeds of Sale of 4-per-cent Inscribed Stock	45,000 0 0	1,034,775 0 0
Debentures issued under “The Consolidated Stock Act, 1884” (Colonial issue)..	..	13,500 0 0
	45,000 0 0	1,078,275 0 0
Balance at end of the Year 1887-88,—		
Cash overdrawn	12,125 4 6	
Less advances in the hands of—		
Stock Agents	£1,006 5 10	
Crown Agents	300 0 0	
	1,306 5 10	
	10,818 18 8	
Totals	£247,233 13 1	£1,399,776 6 5

No. 1—continued.

for the Year ended 31st MARCH, 1888, compared with the Financial Year ended 31st MARCH, 1887.

Part III.

EXPENDITURE.	1887-88.	1886-87.
Annual Appropriations,—	£ s. d.	£ s. d.
Class I.—Public Works, Departmental	14,000 0 0	.. .. .
" II.—Railways	299,542 8 5	543,495 4 3
" III.—Charges and Expenses of raising Loan, and Contingencies ..	59,447 14 10	12,270 11 8
	372,990 3 3	555,765 15 11
Proceeds of District Railway Debentures for £242,800 converted into 4-per-cent. Inscribed Stock, and sold with Loan of £1,325,000, now paid over ..	242,800 0 0	..
Temporary advance to Part I.	150,000 0 0	..
	392,800 0 0	
Balance at end of Year,—		
Cash in the Public Account	221,790 4 6	463,546 17 5
Advances in the hands of Officers of the Government,—		
In the Colony	4,282 15 5	4,541 8 7
In London	20,171 0 11	22,587 7 2
Investments	300,000 0 0	180,058 10 11
	546,244 0 10	620,734 4 1
Totals	£1,312,034 4 1	£1,176,500 0 0

ACCOUNT.

	£ s. d.	£ s. d.
Four-and-a-half-per cent. 5-30 Debentures called in for payment on 1st August, 1886	235,000 0 0	819,400 0 0
Five-per-cent. 5-30 Debentures called in for payment on 15th January, 1885 ..	..	300,800 0 0
Debentures issued under "The Wellington Loan Act, 1886," redeemed ..	..	13,500 0 0
	235,000 0 0	1,193,700 0 0
Expenses Account,—		
Discount	518 15 0	26,500 0 0
Commission	3,496 6 8	14,322 6 2
Brokerage	1,752 0 4	1,520 1 7
Stamp Duty	1,482 10 6	24,569 17 6
Interest	3,958 11 5	..
Office expenses	1,025 9 2	7,749 6 9
	12,233 13 1	74,661 12 0
Balance at end of the Year 1886-87,—		
Cash in the Public Account .. .. .	..	89,874 15 6
Advances in the hands of—		
Stock Agents .. .. .	..	15,239 18 11
Crown Agents .. .. .	..	86,300 0 0
		191,414 14 5
Totals	£247,233 13 1	£1,399,776 6 5

No. 1—continued.

for the Year ended 31st MARCH, 1888, compared with the Financial Year ended 31st MARCH, 1887.

BODIES' ACCOUNT.

EXPENDITURE.	1887-88.			1886-87.		
	£	s.	d.	£	s.	d.
Payments to,—						
Counties,—						
Amuri	2,300	0	0	..		
Ashburton	3,500	0	0	..		
Bruce	3,050	0	0	..		
Clutha	3,345	0	0	..		
Geraldine	3,000	0	0	..		
Grey	1,250	0	0	..		
Hawke's Bay	6,000	0	0	..		
Inangahua	5,890	0	0	..		
Kaikoura	3,000	0	0	..		
Manawatu .. .. .	..			2,000	0	0
Patangata .. .. .	..			5,000	0	0
Piako	1,650	0	0	..		
Rangitikei	400	0	0	..		
Selwyn	6,000	0	0	..		
Southland	2,380	0	0	..		
Thames	5,400	0	0	..		
Waihemo	1,500	0	0	..		
Waipawa	6,000	0	0	3,500	0	0
Wairarapa North .. .. .	..			4,170	0	0
Wairarapa South	1,250	0	0	..		
Wallace	300	0	0	..		
	56,215	0	0	14,670	0	0
Road Boards,—						
Alfredton	340	0	0	..		
Clive	3,000	0	0	..		
Eden Terrace	2,500	0	0	..		
Egmont	740	0	0	..		
Featherston	1,500	0	0	..		
Howick Township	48	0	0	..		
Kiwitea	1,968	0	0	..		
Le Bon's Bay	1,000	0	0	..		
Manawatu	3,000	0	0	..		
Mangaatua	1,500	0	0	..		
Manganui	300	0	0	..		
Mangawhero	1,700	0	0	..		
Mangorei	600	0	0	..		
Masterton	1,110	0	0	..		
Moa	3,000	0	0	..		
Mount Eden	3,000	0	0	..		
Taratahi-Carterton .. .. .	..			600	0	0
Upper Taueru	800	0	0	..		
Upper Wangaehu	1,400	0	0	..		
Waipipi	350	0	0	..		
Waipukurau	3,000	0	0	..		
Waiuku	300	0	0	..		
Waiwakaiho	800	0	0	..		
Whaingaroa	500	0	0	..		
	32,456	0	0	600	0	0
Boroughs,—						
Akaroa	800	0	0	..		
Town Boards,—						
Inglewood	300	0	0	..		
Waipawa	300	0	0	..		
	600	0	0	..		
River Boards,—						
Henley	1,000	0	0	..		
Waipawa	1,000	0	0	..		
Winton	1,000	0	0	..		
	3,000	0	0	..		
Unauthorised,—						
County of Selwyn	500	0	0	..		
Balance at end of Year,—						
Cash in the Public Account	16,159	0	0	34,730	0	0
Totals	£109,730	0	0	£50,000	0	0

Table No. 1.—continued.

SUMMARY OF BALANCES ON THE 31ST MARCH, 1888.

FUNDS.	—		BALANCES.		—	CONSOLIDATED FUND.		PUBLIC WORKS FUND.		SUSPENSE ACCOUNT.		TOTAL.	
	£	s. d.	£	s. d.		£	s. d.	£	s. d.	£	s. d.	£	s. d.
CONSOLIDATED FUND:—													
Ordinary Revenue Account ..	782,745	1 5	..	..	..	665,136	7 9	412,749	4 5	303	8 3	1,078,189	0 5
Land Fund Account ..	<i>Dr.</i> 133,350	2 1	..	..	..	28,759	6 9	56,225	18 2	..	..	84,985	4 11
State Forests Account ..	<i>Dr.</i> 74	8 11	..	..	..	..	..	305,000	0 0	..	..	305,000	0 0
Accounts of Local Bodies ..	<i>Dr.</i> 16,567	17 8	..	..	..	..	..	..	..	..	..	..	..
Deposit Accounts ..	61,143	1 9	..	..	..	..	..	..	..	..	..	..	<i>Dr.</i> 200,000
	693,895		14 6										
PUBLIC WORKS FUND:—													
Part I. ..	200,391	4 0	..	..	..	..	..	..	..	..	..	..	..
" II. ..	21,999	16 5	..	..	..	..	..	..	..	..	..	..	..
" III. ..	546,244	0 10	..	..	..	..	..	..	..	..	..	..	..
Conversion Account ..	<i>Dr.</i> 10,818	18 8	..	..	..	..	..	..	..	..	..	..	..
Loans to Local Bodies Account ..	16,159	0 0	..	..	..	..	..	..	..	..	..	..	..
	773,975		2 7										
SUSPENSE ACCOUNT ..	..	..	..	..	..	..	..	..	..	..	..	..	..
REMITTANCES TO LONDON ACCOUNT ..	..	..	..	..	..	..	..	..	..	..	..	..	..
	303		8 3										
	<i>Dr.</i> 200,000		0 0										
	£1,268,174		5 4										
Total ..	..	..	..	..	..	693,895	14 6	773,975	2 7	303	8 3	1,268,174	5 4
					Total	..	..	..	..	..	..	..	..

Treasury, Wellington, 13th April, 1888.

Examined and found correct.

JAMES EDWARD FITZGERALD,
Controller and Auditor-General.

JAMES C. GAVIN,
Secretary to the Treasury.
JAMES B. HEYWOOD,
Assistant Secretary and Accountant.

Table No. 2.
STATEMENT showing the Total WAYS and MEANS of the PUBLIC WORKS FUND and the Total Net EXPENDITURE to the 31st MARCH, 1888.

WAYS AND MEANS.		£	s.	d.	£	s.	d.	NET EXPENDITURE.	£	s.	d.	£	s.	d.
LOANS:—								Expenditure on—						
Immigration and Public Works Loan, 1870	..	4,000,000	0	0	..	..	..	Immigration	2,133,668	17	0	..	..	..
Immigration and Public Works Loan, 1873	..	2,000,000	0	0	..	..	..	Public Works, Departmental	308,153	1	6	..	..	..
Immigration and Public Works Loan, 1874	..	4,000,000	0	0	..	..	..	Railways, including Surveys of New Lines	13,362,423	15	3	..	..	..
General Purposes Loan Act, 1873	..	750,000	0	0	..	..	..	Roads	3,363,551	6	7	..	..	..
New Zealand Loan Act, 1876	..	750,000	0	0	..	..	..	Land Purchases	1,141,287	18	7	..	..	..
New Zealand Loan Act, 1877	..	2,200,000	0	0	..	..	..	Waterworks on Goldfields	559,941	10	11	..	..	..
New Zealand Loan Act, 1879	..	5,000,000	0	0	..	..	..	Telegraph Extension	561,963	1	9	..	..	..
New Zealand Loan Act, 1882	..	3,000,000	0	0	..	..	..	Public Buildings	1,687,900	13	9	..	..	..
New Zealand Colonial Inscribed Stock Loan Act, 1882	..	250,000	0	0	..	..	..	Lighthouses, Harbour Works, and Defences	822,124	16	5	..	..	..
North Island Main Trunk Railway Loan Act, 1882*	..	500,000	0	0	..	..	..	Contingent Defence	429,718	19	3	..	..	..
New Zealand Loan Act, 1884	..	1,500,000	0	0	..	..	..	Rates on Native Lands	33,585	6	2	..	..	..
New Zealand Loan Act, 1886	..	1,325,000	0	0	..	..	..	Thermal Springs	10,812	17	11	..	..	..
District Railways Purchasing Acts, 1883-86	..	354,487	7	11	..	..	..	Charges and Expenses of raising Loans	916,561	5	11	..	..	..
								Coal Mines	10,835	8	0	..	..	..
								Interest and Sinking Fund	218,500	0	0	..	..	..
								Advances made to Westport Harbour Board	..	..	..	..	..	..
									25,561,028	19	0	..	..	..
									14,335	13	4	..	..	..
									25,575,364	12	4	..	..	..
									408,715	8	11	..	..	..
									54,919	12	4	..	..	..
									5,000	0	0	..	..	..
									468,635	1	3	..	..	..
									£26,043,999	13	7	..	..	..
									£26,043,999	13	7	..	..	..

* £1,000,000 authorised.

Table No. 3.
The PUBLIC DEBT of NEW ZEALAND on 31st MARCH, 1888.

	AMOUNT OUTSTANDING.		DUE DATE.	SINKING FUNDS ACCRUED, PARTIALLY APPROXIMATE.	NET INDEBTEDNESS.	ANNUAL CHARGE.				REMARKS.	
	£	£				Rate.		Amount.	When payable.		
						Int.	S.F.				
New Zealand Loan Act, 1856	25,000	200,000	1 Oct., 1888	225,800	Cr. 25,800	..	..	..	..	The accumulations of the sinking fund of this loan now enable the Trustees not only to dispense with further contributions from the Treasury, but to pay the interest of the loan.	
	25,000		1 Jan., 1889			..	..	..
	50,000		1 July, 1889			..	..	..
	50,000		1 Oct., 1889			..	..	..
	50,000		1 July, 1894			..	..	..
New Zealand Loan Act, 1860	..	74,100	1 July, 1891	75,842	Cr. 1,242	6	..	4,446	1 Jan. and 1 July		
	378,800	1,295,800	15 July, 1914	80,240	298,560	5	1	22,728	15 Jan.	15 July	
500,000	1 Nov., 1915		195,446	304,554	4	..	20,000	1 May	"	1 Nov.	
154,800	15 Mar., 1891		337,069	15 June, 1891	79,931	6	2	12,384	15 Mar.	"	15 Sept.
188,400	15 Dec., 1891			6	2	15,072	15 June	"	15 Dec.		
73,800	15 Dec., 1891			6	2	5,904	15 June	"	15 Dec.		
Consolidated Loan Act, 1867 ... Loan Act, 1870 ... Immigration and Public Works Loan Act, 1870 ...	..	1,851,300	Ann. drawing	1,577	1,349,723	5	1	+239,501	Quarterly, 15 Jan., &c.	Sinking Fund payable 13 Mar. and 13 Sept.	
	..	1,000,000	1 June, 1907	168,749	831,251	4	2.4	64,000	1 June and 1 Dec.		
	..	31,600	1 June, 1896	18,498	13,102	6	2	2,528	1 April	"	1 Oct.
	..	77,700	30 years	58,816	18,884	6	2	6,216	30 June	"	31 Dec.
	..	22,800	50 years	4,980	17,820	6	1	1,596	30 June	"	31 Dec.
Auckland Loan Act, 1863 Lyttelton and Christchurch Railway Loan, 1860 Canterbury Loan Ordinance, 1862 Otago Loan Ordinance, 1862 ...	..	116,700	1 July, 1898	55,539	61,161	6	1	8,169	1 Jan.	"	1 July

Ordinance of Legislative Council Consolidated Loan Act, 1867 ...	..	311	Presentation	..	311	..	..	..	..	..	..
	..	77,000	1 Jan., 1893 15 April, 1913	..	64,000 13,000	5 4	..	3,200 520	1 Jan. 15 April	"	1 July 15 Oct.
Immigration and Public Works Loan Act, 1870	372,100	400,000	15 April, 1913	..	372,100	4	..	14,884	15 April	"	15 Oct.
	27,900		15 April, 1913	..	27,900	4½	..	1,255	15 April	"	15 Oct.
Defence and Other Purposes Loan Act, 1870	25,000	100,000	1 July, 1910	..	25,000	4½	..	1,125	30 June	"	31 Dec.
	75,000		15 April, 1913	..	75,000	4	..	3,000	15 April	"	15 Oct.
Carried forward	..	4,747,311	..	1,222,056	3,525,255	..	..	426,528	..	..

Table No. 3—continued.
The PUBLIC DEBT of NEW ZEALAND on 31st MARCH, 1888—continued.

	AMOUNT OUTSTANDING.		DUE DATE.	SINKING FUNDS ACCRUED, PARTIALLY APPROXIMATE.	NET INDEBTEDNESS.	ANNUAL CHARGE.			REMARKS.
	£	£				Rate.	Amount.	When payable.	
Brought forward	..	4,747,311	..	1,222,056	£ 3,525,255	% ..	426,528		
General Purposes Loan Act, 1873	{	12,300	15 May, 1914	..	12,300	4	492	15 May and 15 Nov.	
	{	49,500	15 Dec., 1888	..	49,500	5	2,475	15 June " 15 Dec.	
	{	18,500	15 Oct., 1913	..	18,500	4	740	15 April " 15 Oct.	
	{	54,700	28 Nov., 1914	..	54,700	5	2,735	15 May " 15 Nov.	
Westland Loan Act, 1873	..	50,000	15 April, 1894	..	50,000	5	2,500	15 April " 15 Oct.	
Nelson Loan Act, 1874	..	15,000	23 Mar., 1896	..	15,000	7	1,050	1 Mar. " 1 Sept.	
New Zealand Loan Acts, 1876-77	..	2,207,300	1 Mar., 1918	..	2,207,300	5	110,365	1 Mar. " 1 Sept.	
New Zealand Loan Act, 1879	..	388,000	1 Nov., 1889	..	388,000	5	19,400	1 May " 1 Nov.	
North Island Main Trunk Railway Loan Act, 1882	..	500,000	31 July, 1888	..	500,000	4	20,000	..	
Colonial Inscribed Stock Act, 1882	..	114,687	1 Nov., 1888	..	250,000	5	12,500	1 May " 1 Nov.	Known as the 10-40s.
District Railways Purchasing Act, 1885	..	7,000	1 April, 1905	..	114,687	4	4,587	1 May " 1 Oct.	Balance of Five-million Loan.
New Zealand State Forests Act, 1885	..	125,000	1 Mar., 1898	..	7,000	5	350	1 April " 1 Oct.	
Government Loans to Local Bodies Act, 1886	..	100,000	10 Oct., 1891	..	125,000	5	6,250	1 Mar. " 1 Sept.	
Public Revenues Act, 1886	{	50,000	10 Oct., 1891	..	100,000	4½	4,500	10 April " 10 Oct.	
	{	..	10 Oct., 1891	..	50,000	5	2,500	10 April " 10 Oct.	
Public Revenues Act 1887 (No. 3)	..	400,000	1 Mar., 1893	..	400,000	4	16,000	1 Mar. " 1 Sept.	
Consolidated Stock Act, 1877	1 Nov., 1929	..	22,564,255	4	902,570	1 May " 1 Nov.	
Consolidated Stock Act, 1884—	{	4,214,100	1892	..	4,214,100	5	210,705	Quarterly, 15 Jan., &c.	Convertible into stock at 107.
English Issue	{	48,600	15 Jan., 1892	..	48,600	5	2,180	15 Jan. " 15 July	Convertible into stock at 110.
Colonial Issue	{	313,100	28 Nov., 1891	..	313,100	4½	14,089	28 May " 28 Nov.	
	{	534,084	28 Nov., 1891	..	534,084	5	26,704	28 May " 28 Nov.	
Totals	..	36,758,437	..	1,222,056	35,536,381	..	1,789,220		

The whole of the Imperial Guaranteed Loan of 1870 is included herein, although only £200,000 has actually been raised; the unsold debentures are used for the purpose of obtaining temporary advances from time to time. Deficiency bills are not included.

Table No. 4.
STATEMENT of the ESTIMATED LIABILITIES chargeable on the CONSOLIDATED FUND outstanding on the 31st MARCH, 1881, 1882, 1883, 1884, 1885, 1886, 1887, and 1888.

	31st March, 1881.	31st March, 1882.	31st March, 1883.	31st March, 1884.	31st March, 1885.	31st March, 1886.	31st March, 1887.	31st March, 1888.
ORDINARY REVENUE ACCOUNT.								
Permanent Appropriations,—								
Civil List	300 0 0	168 0 0	165 0 0	421 0 0	350 0 0	388 0 0	430 0 0	448 9 9
Interest and Sinking Fund	..	24,000 0 0	4,470 0 0	584 0 0	684 0 0	490 6 10	2,719 12 11	7,072 1 10
Under Special Acts of the Legislature	225 0 0	..	957 0 0	..	..	25,868 0 0	34,635 0 0	3,221 9 3
Moiety of Subsidies	..	..	..	..	..	4,049 7 0	..	..
Endowments	..	..	..	..	..	1,311 13 6	..	4,965 7 3
Land Act, 1885	..	..	..	..	..	..	..	..
Totals, Ordinary Revenue Account	525 0 0	24,168 0 0	5,592 0 0	1,005 0 0	1,034 0 0	32,102 7 4	46,914 6 5	15,107 8 1
Annual Appropriations,—								
Class I.—Legislative	22,490 0 0	14,881 0 0	16,604 0 0	19,802 0 0	17,174 0 0	16,314 18 1	112 15 8	106 15 6
" II.—Colonial Secretary	2,164 0 0	767 0 0	6,480 0 0	1,765 0 0	1,295 0 0	12,461 10 6	9,160 16 0	6,158 6 5
" III.—Colonial Treasurer	5,110 0 0	3,805 0 0	8,016 0 0	2,610 0 0	3,111 0 0	2,686 6 6	3,172 12 5	2,440 1 11
" IV.—Minister of Justice	8,166 0 0	12,939 0 0	9,920 0 0	3,856 0 0	5,862 0 0	10,134 8 2	5,352 10 1	6,546 14 4
" V.—Postmaster-General	4,334 0 0	1,849 0 0	3,394 0 0	4,310 0 0	2,689 0 0	3,925 17 4	4,043 3 4	2,215 6 3
" VI.—Commissioner of Customs	1,521 0 0	1,150 0 0	1,326 0 0	1,871 0 0	2,132 0 0	2,307 6 7	540 6 7	1,218 4 8
" VII.—Commissioner of Stamps	3,550 0 0	2,340 0 0	2,500 0 0	4,686 0 0	3,578 0 0	2,251 0 0	5,780 0 0	3,646 0 0
" VIII.—Minister of Education	1,267 0 0	2,737 0 0	1,939 0 0	1,415 0 0	700 0 0	1,000 0 0	657 0 0	729 3 4
" IX.—Minister of Native Affairs	7,820 0 0	8,550 0 0	6,805 0 0	2,437 0 0	3,270 0 0	1,000 0 0	5,977 5 10	3,081 18 0
" X.—Minister of Mines	86,596 0 0	71,754 0 0	82,735 0 0	103,169 0 0	106,244 0 0	87,797 10 5	86,294 19 1	51,233 14 0
" XI.—Working Railways	..	..	..	..	..	..	..	21,107 4 1
" XII.—Public Buildings	..	..	..	..	..	..	..	12,066 3 8
" XIII.—Minister of Defence	22,971 0 0	19,578 0 0	35,500 0 0	19,831 0 0	14,888 0 0	13,013 5 10	12,474 18 8	..
Totals, Ordinary Revenue Account	164,989 0 0	139,875 0 0	170,938 0 0	165,752 0 0	160,933 0 0	158,176 3 5	134,538 1 4	111,077 11 4
Services not provided for	..	351 0 0	..	..	..	5 7 10	..	..
Totals, Ordinary Revenue Account	165,514 0 0	164,394 0 0	176,530 0 0	166,757 0 0	161,967 0 0	190,283 18 7	181,452 7 9	126,184 19 5
LAND FUND ACCOUNT.								
Annual Appropriations,—								
Class XIV.—Minister of Lands	8,956 0 0	11,805 0 0	13,331 0 0	16,072 0 0	12,362 0 0	11,937 8 3	3,454 5 3	3,634 0 0
" XV.—Colonial Treasurer	..	..	..	7,610 0 0	23,258 0 0	18,700 0 0	8,556 19 0	2,400 0 0
Totals, Land Fund Account	8,956 0 0	11,805 0 0	13,331 0 0	23,682 0 0	35,620 0 0	30,637 8 3	12,011 4 3	6,034 0 0
Special Appropriations,—								
Subsidies paid to Local Bodies, 1880-81	100 0 0	..	..	..	..	..	..	..
One-third of Land Sales on Deferred Payments	12,620 0 0	13,384 0 0	14,109 0 0	9,895 0 0	10,495 0 0	12,129 16 9	10,527 16 5	12,254 16 11
New Plymouth Harbour Board	15,619 0 0	..	..	..	2,054 0 0	1,582 19 7	1,498 13 9	483 11 11
Ellesmere and Forsyth Reclamation and Akaroa Railway Trust	267 0 0	..	..	..	1,880 0 0	244 14 3	..	..
Local Bodies' Finance and Powers Act, 1885, section 7	..	..	..	..	..	122 1 3	..	..
Totals, Land Fund Account	28,606 0 0	13,384 0 0	14,109 0 0	9,895 0 0	14,379 0 0	14,079 11 10	12,026 10 2	12,738 8 10
Totals, Land Fund Account	37,562 0 0	25,189 0 0	27,440 0 0	33,577 0 0	49,999 0 0	44,717 0 1	24,037 14 5	18,772 8 10
STATE FORESTS ACCOUNT.								
Annual Appropriations,—								
Class XV.—State Forests	..	..	..	..	..	..	850 0 0	370 0 0

Table No. 5.

STATEMENT of the ESTIMATED LIABILITIES chargeable on the PUBLIC WORKS FUND outstanding on the 31st MARCH, 1881, 1882, 1883, 1884, 1885, 1886, 1887, and 1888.

		31st March, 1881.	31st March, 1882.	31st March, 1883.	31st March, 1884.	31st March, 1885.	31st March, 1886.	31st March, 1887.	31st March, 1888.
		£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
ANNUAL APPROPRIATIONS.									
PART I.									
Class	I.—Immigration	664 1 6	110 8 3	20,565 0 0	51,000 0 0	8,000 0 0	7,000 0 0	5,000 0 0	3,800 0 0
"	II.—Public Works, Departmental	647 18 3	255 11 1	533,902 7 5	619 6 9	778 14 3	718 16 11	56 8 2	1,033 9 2
"	III.—Railways	428,687 1 8	320,019 11 10	1,600 14 6	8,197 10 9	496,593 3 11	386,345 8 9	1,364 17 11	.. .. .
"	IV.—Surveys of New Lines of Railway	406 6 8	234 15 0	186,365 15 8	144,397 8 7	214,124 3 2	254,350 0 11	.. .. .	.. .. .
"	V.—Roads	74,411 2 5	117,840 15 2	309,299 0 0	285,400 0 0	173,200 0 0	238,600 0 0	178,680 12 6	119,120 10 2
"	VI.—Land Purchases	997,725 0 0	338,876 10 3	16,659 14 2	7,382 13 0	7,369 0 0	14,963 0 0	120,144 0 0	1,068 2 6
"	VII.—Waterworks on Goldfields	11,029 17 8	6,665 16 9	9,000 0 0	.. .. .	6,000 0 0	3,700 0 0	3,983 0 0	54 10 6
"	VIII.—Telegraph Extension .. .. .	.. .. .	3,500 0 0	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .
"	IX.—Public Buildings .. .. .	.. .. .	84,457 9 1	82,862 2 3	41,752 10 10	10,424 1 7	23,255 5 9	55,161 2 9	29,610 19 7
"	X.—Lighthouses, Harbour Works, and Defences	100 0 0	7,554 11 8	10,661 17 2	15,138 2 4	119,220 6 11	164,410 10 3	80,724 0 0	36,431 12 1
"	XI.—Rates on Native Lands .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	10,668 0 0	11,000 0 0
"	XII.—Thermal Springs .. .. .	.. .. .	761 0 9	.. .. .	.. .. .	.. .. .	.. .. .	2,500 0 0	.. .. .
"	Contingent Defence .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .
"	Miscellaneous Public Works	38,591 8 10	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .
Totals	.. .. .	1,585,512 15 5	880,276 9 10	1,171,160 7 9	1,282,843 4 8	1,036,641 5 9	1,094,589 15 4	454,767 11 5	205,323 4 0
PART II.									
Class	I.—Railways .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	158,360 5 9	70,075 12 6
"	II.—Roads .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	1,549 1 1
"	III.—Land Purchases .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	29,621 0 0	4,279 15 11
Totals	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	187,981 5 9	75,904 9 6
PART III.									
Class	I.—Railways .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	326,280 6 0	190,467 12 9
"	II.—Costs and Contingencies .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	960 13 6	.. .. .
Totals	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .	326,650 19 6	190,467 12 9

Table No. 6.
TABLE showing PROPOSED REDUCTIONS in ESTIMATED EXPENDITURE of the CONSOLIDATED FUND, amounting to £300,000.
 (Reprint of Table No. 10, appended to Financial Statement made 1st November, 1887.)

	Revised Departmental Estimates for 1887-88.			Expenditure under proposals of the present Government.	Reductions for a year.
	Amount.	Deduct for non-recurrent services.	Net amount.		
	£	£	£	£	£
PERMANENT CHARGES,—					
Civil List	29,750	..	29,750	26,300	3,450
Interest and Sinking Fund	1,770,800	..	1,770,800	*1,790,800	..
Under Special Acts	205,900	28,000	177,900	167,900	10,000
Subsidies	55,000	23,000	32,000	32,000	..
ANNUAL APPROPRIATIONS,—					
Legislative Department	26,000	9,000	17,000	15,500	1,500
Colonial Secretary	151,000	12,100	138,900	138,900	..
Colonial Treasurer	33,900	7,600	26,300	26,300	..
Stamps and Deeds	26,450	..	26,450	26,450	..
Postal and Telegraph	274,400	..	274,400	274,400	..
Customs and Marine	71,200	..	71,200	65,200	6,000
Justice	110,900	..	110,900	106,900	4,000
Education	379,600	..	379,600	319,600	60,000
Native Affairs	16,900	..	16,900	14,900	2,000
Mines	22,900	..	22,900	20,900	2,000
Working Railways	730,000	..	730,000	710,000	20,000
Public Domains and Buildings	28,100	..	28,100	15,100	13,000
Defence	185,100	..	185,100	189,100	46,000
Reductions not allocated .. .. .	..	..	..	3,890,250	74,050
	†4,117,900	79,700	4,038,200	3,816,200	242,000
LAND FUND ACCOUNT.					
PERMANENT CHARGES,—					
Payment to Local Bodies	13,000	..	13,000	13,000	..
ANNUAL APPROPRIATIONS,—					
Land and Surveys	113,300	..	113,300	89,300	24,000
Rates on Crown Lands	42,000	8,000	34,000	..	34,000
TOTAL CONSOLIDATED FUND	168,300	8,000	160,300	102,300	58,000
	4,286,200	87,700	4,198,500	3,918,500	300,000

* Includes additional interest being for half-year on North Island Main Trunk Railway Loan. † Round numbers are given in this table.

TABLE showing the extent to which the Government have given effect to the PROPOSALS set out in the Preceding Table to reduce the EXPENDITURE of the CONSOLIDATED FUND by £300,000.

	1. Estimates for 1887-88 on which the Reductions were based.	2. Estimates showing Reductions proposed last Year to be effected in 1888-89.	3. Estimates for 1888-89 now submitted to the House (less non-recurrent Charges).	Columns 2 and 3 compared.	
				Reductions less than proposed.	Reductions more than proposed.
ORDINARY REVENUE ACCOUNT.					
PERMANENT CHARGES,—					
Civil List	£ 23,750	26,300	26,300	£	545
Interest and Sinking Fund	1,770,800	1,790,800	1,838,539	..	9,481
Under Special Acts	177,900	167,900	171,917	..	3,773
Subsidies	32,000	32,000	..	4,017	1,255
ANNUAL APPROPRIATIONS.—				..	5,149
Legislative Department	17,000	15,500	14,955	..	2,652
Colonial Secretary's Department	114,000	114,000	104,519	..	1,539
Colonial Treasurer's	26,300	26,300	22,527	..	1,626*
Justice	110,900	106,900	105,645	..	1,553
Postal and Telegraph	274,400	274,400	269,251	..	2,717
Customs and Marine	71,200	65,200	62,548	..	20,000
Stamps and Deeds	26,450	26,450	24,911	..	150
Education	879,600	319,600	348,974	..	..
Native Affairs	16,900	14,900	13,347	..	..
Minister of Lands	47,800	45,800	43,083	..	..
Working Railways	730,000	710,000	690,000	..	..
Public Buildings and Domains Department	28,100	15,100†	22,950	..	..
Defence Department	200,100†	154,100	158,666	4,566	..
Reductions not allocated .. .. .	..	3,905,250	3,918,132	8,583	49,440
		74,050			
LAND FUND ACCOUNT.					
PERMANENT CHARGES,—					
Payments to Local Bodies	£ 13,000	13,000	18,800	..	..
ANNUAL APPROPRIATIONS,—					
Crown Lands and Surveys Departments	113,300	89,300	85,010	..	4,230
Rates on Crown Lands	34,000	..	..	..	..
Deduct Interest and Sinking Fund, Subsidies, and Permanent Charges on the Land Fund	4,215,500	3,933,500	4,021,942	..	..
	1,815,800	1,835,800	1,857,339	..	..
Totals	2,397,700	2,097,700	2,164,603	8,583	53,730
Amount of proposed reductions	£300,000	£2,397,700	£2,164,603	£74,050	..
Amount of column No. 1 .. .. .	..	233,097	..	..	..
"
"
Deduct—					
Education reduction disallowed .. .. .	..	90,000	..	..	..
Error in estimate, Public Buildings .. .. .	..	8,000	..	..	..
Net reductions less than proposed .. .. .	..	..	..	45,147	..
Totals .. .. .	..	..	..	..	£28,903

Reductions not allocated, column No. 2 £74,050
 Reductions more than proposed £53,730
 Reductions less than proposed 8,583
45,147

B.—6.

1770 800
 32 000
 13 000
 1815,800

* This amount would have been £30,000 more had not the House disallowed the proposal to raise the school-age.
 † £185,100 out of Revenue, and £15,000 out of Loan.

Table No. 8.

TABLE showing the AMOUNTS for NON-RECURRENT CHARGES taken off the Estimated Expenditure on Annual Appropriations, 1888-89.

	Estimates of 1888-89.	Non-recurrent Charges.	Net Estimates, as shown in Column 3, Table No. 7.
	£	£	£
Legislative	14,955	..	14,955
Colonial Secretary's Department	106,180	1,611	104,519
Colonial Treasurer's Department	48,727	26,200	22,527
Justice Department	105,645	..	105,645
Postal and Telegraph Department	269,251	..	269,251
Customs and Marine Department	62,998	450	62,548
Stamps and Deeds Department	24,911	..	24,911
Education Department	348,974	..	348,974
Native Affairs Department	13,347	..	13,347
Minister of Lands Department	46,183	3,100	43,083
Working Railways Department	690,000	..	690,000
Public Buildings and Domains Department	27,050	4,100	22,950
Defence Department	158,666	..	158,666
	1,916,837	35,461	1,881,376
Crown Lands and Survey Department	86,045	1,035	85,010
Rates on Crown Lands	2,400	2,400	..
	2,005,282	38,896	1,966,386
Add Permanent Charges of Ordinary Revenue and Land Fund Accounts	2,055,556	..	2,055,556
	4,060,838	38,896	4,021,942

Resolved, That in lieu of the duties of Customs now charged on the under-mentioned articles on importation into New Zealand, or on being cleared from any warehouse for home consumption, the following duties of Customs shall, on and after the thirtieth day of May, one thousand eight hundred and eighty-eight, be charged thereon and be paid at the time of making entry therefor, namely :—

Articles.	Rate of Duty.			
	£	s.	d.	
Ale, Porter, Beer of all sorts, Cider and Perry, in bulk ...	0	1	6	the gallon.
Aërated and Mineral Waters	20	0	0	per cent. <i>ad valorem</i> .
Bitters, Cordials, and Liqueurs	0	15	0	the gallon.
Spirits and Strong Waters of every kind, of any strength not exceeding the strength of proof by Sykes's hydrometer, and so on in proportion for any greater strength than the strength of proof of such hydrometer (Provided, however, that until the 30th November, 1888, an allowance shall be made for any less strength than the strength of proof as aforesaid.)	0	15	0	the gallon.
Spirits and strong waters mixed with any ingredient in any proportion exceeding 33 per cent. of proof spirit, and although thereby coming under the designation of patent or proprietary medicines, or under any other designation ...	0	15	0	"
Spirits and strong waters sweetened or mixed so that the degree of strength cannot be ascertained as aforesaid when not exceeding the strength of proof	0	15	0	"
Spirits, methylated	0	1	0	"
Spirits in cases shall be charged as follows, on and after the 1st December, 1888, namely :— Two gallons and under, as two gallons; over two gallons and not exceeding three, as three gallons; over three gallons and not exceeding four, as four gallons; and so on for any greater quantity contained in any case.				
Lime and lemon juice sweetened or aërated	20	0	0	per cent. <i>ad valorem</i> .
Syrups	20	0	0	"
Tea	0	0	6	the lb.
Wine, sparkling	0	8	0	the gallon.
" Australian, containing not more than 35 per cent. of proof spirit verified by Sykes's hydrometer, the gallon, or for 6 reputed quart bottles, or for 12 reputed pint bottles	0	5	0	
" other than sparkling and Australian, containing less than 40 per cent. of proof spirit, verified by Sykes's hydrometer, the gallon, or for 6 reputed quart bottles, or for 12 reputed pint bottles	0	6	0	
Beef and pork, salted	20	0	0	per cent. <i>ad valorem</i> .
Biscuits, ships' plain and unsweetened	0	3	0	the cwt.
" other kinds	0	0	2	the lb.
Butter	20	0	0	per cent. <i>ad valorem</i> .
Chocolate confectionery, and all preparations of chocolate or cocoa	0	0	3	the lb.
Capers	20	0	0	per cent. <i>ad valorem</i> .
Catsup	20	0	0	"
Cheese	20	0	0	"
Chutney	20	0	0	"
Confectionery, not otherwise enumerated	0	0	2	the lb.
Curry powder and paste	20	0	0	per cent. <i>ad valorem</i> .
Drained peel	0	0	3	the lb.
Fish, dried, pickled, or salted	0	10	0	the cwt.
" (including sardines), potted or preserved	0	0	2	the lb. or reputed package of that weight.
Fruits, preserved	20	0	0	per cent. <i>ad valorem</i> .
Fruit pulp and partially preserved fruit... ..	0	0	1½	the lb.
Fruit, fresh, namely, apples, pears, plums, cherries, peaches, nectarines, apricots, quinces, tomatoes	0	0	0¼	"
Glucose	0	0	1	"

Articles.	Rate of Duty.			
	£	s.	d.	
Jams, jellies, marmalade, and preserves	0	0	2	the lb.
Meats, potted or preserved	20	0	0	per cent. <i>ad valorem</i> .
Milk, preserved	20	0	0	"
Mustard	0	0	2	the lb.
Olives	20	0	0	per cent. <i>ad valorem</i> .
Oysters, preserved	20	0	0	"
Peas, split	0	2	0	the cwt.
Pepper and pimento, unground	0	0	2	the lb.
Pickles	0	2	0	the dozen pints or reputed pints, and in the same proportion for larger or smaller sizes.
Provisions, preserved, not otherwise enumerated	20	0	0	per cent. <i>ad valorem</i> .
Raspberry vinegar	20	0	0	"
Rice and rice flour	0	6	0	the 100lb.
" undressed and dressed in bond	0	4	0	"
" manufactured into starch in bond	0	2	0	"
Salt, except rock	1	0	0	the ton.
Sauces	20	0	0	per cent. <i>ad valorem</i> .
Vegetables, fresh, dried, or preserved	20	0	0	"
Opium	2	0	0	the lb.
Cigars, cigarettes, and snuff	0	7	0	"
Tobacco, unmanufactured, entered to be manufactured in the colony, at the time of removal from a bonded warehouse, or from any importing ship, to any licensed tobacco manufactory, for manufacturing purposes only into tobacco, cigars, cigarettes, or snuff	0	2	6	the lb. from the 31st December, 1888, to the 31st December, 1890.
Blackening and boot gloss	20	0	0	per cent. <i>ad valorem</i> .
Black lead	20	0	0	"
Blue	0	0	2	the lb.
Candles	0	0	2	the lb. or reputed package of that weight.
Furniture, knife and plate powder and polish	15	0	0	per cent. <i>ad valorem</i> .
Glue and size	0	0	1½	the lb.
Matches—				
Wooden, in boxes containing 100 matches or fraction thereof	0	1	0	the gross of boxes.
For every additional 50 matches or fraction thereof	0	0	6	"
Wax, in boxes containing 100 matches or fraction thereof	0	2	0	"
For every additional 50 matches or fraction thereof	0	1	0	"
Olive oil, in bulk	0	0	6	the gallon.
Paints and Colours mixed ready for use	0	4	0	the cwt.
Paints and Colours ground in oil	0	2	0	"
Sausage Skins	20	0	0	per cent. <i>ad valorem</i> .
Soap, common	0	5	0	the cwt.
Soap Powder, Extract of Soap, Dry Soap, and Soft Soap	20	0	0	per cent. <i>ad valorem</i> .
Starch	0	0	2	the lb.
Stearine	0	0	1½	"
Varnish	0	1	6	the gallon.
Washing Powder	20	0	0	per cent. <i>ad valorem</i> .
Wax, Paraffin, Mineral, Vegetable, and Japanese	0	0	1	the lb.
Brooms and Brushes not otherwise described	20	0	0	per cent. <i>ad valorem</i> .
Brushware not otherwise described	20	0	0	"
Bellows, except forge	15	0	0	"
Buckets and tubs of wood	20	0	0	"
Cabinetware	25	0	0	"
Furniture	25	0	0	"
Mantelpieces	20	0	0	"
Upholstery, not otherwise enumerated	25	0	0	"
Wire mattresses and webbing	20	0	0	"
Desks and dressing-cases	20	0	0	"
Fancy goods and toys	20	0	0	"
Fireworks	20	0	0	"
Magic lanterns and dissolving-view apparatus and slides	20	0	0	"

Articles.	Rate of Duty.			
	£	s.	d.	
Musical instruments, namely, organs, harmoniums, and pianofortes, and parts of either (except action-work not made up)	20	0	0	per cent. <i>ad valorem</i> .
Organs, harmoniums, bells, and furniture imported for places of public worship	20	0	0	"
Statues, statuettes, casts, and bronzes	20	0	0	"
Walkingsticks	20	0	0	"
Baskets and wickerware	20	0	0	"
Hair brushes and combs	20	0	0	"
Oil, perfumed	25	0	0	"
Boots, shoes, slippers, goloshes, clogs, and pattens, not otherwise enumerated	20	0	0	"
Boot and shoe vamps and uppers	20	0	0	"
Harness and saddlery	20	0	0	"
Harness oil and composition and leather-dressing	15	0	0	"
Leather—				
Belting and belt, harness, bridle, legging, and bag leather	0	0	6	the lb.
Kip (other than East India kip), cordovan, buff, split, kangaroo (tanned), levant cow and horse hides	0	0	3	"
Roans, persians, sheepskins or basils, lambskins and goat-skins (dressed)	0	0	2	"
Not otherwise enumerated, including sole leather	0	0	1	"
Portmanteaus, trunks, and travelling bags	20	0	0	per cent. <i>ad valorem</i> .
Filters	20	0	0	"
Fish paste	20	0	0	"
Chaff	1	0	0	the ton.
Acetic acid	0	0	3	the lb.
Cod-liver oil, refined	15	0	0	per cent. <i>ad valorem</i> .
Glycerine, refined	15	0	0	"
Patent and proprietary medicines, and medicinal and other preparations or compounds not otherwise enumerated, recommended to the public under any general name or title as specifics for any disease or affection whatever affecting the human or animal bodies	25	0	0	"
Pearl ash, potash, and caustic potash	15	0	0	"
Sarsaparilla	25	0	0	"
Soda ash	0	1	0	the cwt.
" carbonate	0	1	0	"
Stationery, manufactured, namely, account books, billheads, cheques, labels, and other printed and ruled paper, blank and head-line copy-books, drawing-books, blotting-pads, sketch-books, manifold writers, albums, diaries, plain and faint-lined ruled books, and other printed and lithographed stationery	25	0	0	per cent. <i>ad valorem</i> .
Ink, writing	20	0	0	"
Paper bags	0	7	6	the cwt.
Paper, wrapping, brown	0	4	0	"
" " other kinds	0	5	0	"
Pictorial calendars, show cards, and other pictorial lithographs and prints, on and after the 1st December, 1888	25	0	0	per cent. <i>ad valorem</i> .
Cordage, viz., coir rope	0	5	0	the cwt.
" " white lines	0	10	0	"
" " not otherwise enumerated	0	7	6	"
Twine, for fishing-nets	15	0	0	per cent. <i>ad valorem</i> .
" sailmakers', seaming and roping	15	0	0	"
Drainage pipes and tiles	20	0	0	"
Earthen flooring- and garden-tiles	20	0	0	"
" gas-retorts	20	0	0	"
Earthenware, stoneware, and brownware	20	0	0	"
Firebricks and fireclay goods	20	0	0	"
China- and parianware and porcelain	20	0	0	"
Apparel and ready-made clothing, and all articles made up wholly or in part from silk, cotton, linen, or wool, or of other or of mixed materials	25	0	0	"
Bonnets, trimmed	25	0	0	"
Collars and cuffs	25	0	0	"
Drapery, made up	25	0	0	"
" not otherwise enumerated	20	0	0	"
Furs	20	0	0	"
Feathers (including ostrich)	20	0	0	"
Haberdashery, not otherwise enumerated	20	0	0	"
Hats and caps	20	0	0	"

Articles.	Rate of Duty.			
	£	s.	d.	
Millinery, viz., trimmed hats, caps, and bonnets ...	25	0	0	per cent. <i>ad valorem</i> .
" not otherwise enumerated ...	20	0	0	"
Shirts of all kinds ...	25	0	0	"
Trousers of all kinds ...	25	0	0	"
Umbrellas, parasols and sunshades ...	20	0	0	"
Blankets, rugs, and shawls... ..	20	0	0	"
Hosiery, woollen and mixed with wool ...	20	0	0	"
Woollen piece goods, and piece goods containing wool ...	20	0	0	"
Cotton, linen, silk, and other textile piece goods, not otherwise enumerated ...	20	0	0	"
Cotton counterpanes ...	20	0	0	"
Cotton, linen, silk, and other textile manufactures, not otherwise enumerated ...	20	0	0	"
Holland, rough brown, not otherwise enumerated ...	20	0	0	"
Machinery for boring, brick and tile making, planing, punching, sawing, shearing, turning, mills and looms, steam vessels, wool and hay pressing ...	20	0	0	"
Machinery, not otherwise enumerated ...	20	0	0	"
Metal manufactures, namely, air-gratings, ash-pans, barrow-wheels, bill-files, brackets, bolts and nuts of $\frac{1}{2}$ in. and over (except blank nuts and boltends), blacksmiths' tongs, boat-hooks, copper boilers and furnaces, bolt-rings, lifting bottle-jacks, wrought-iron braces, copper and brass branch-pipes, brazed copper pipes, cake rollers, camp ovens and three-legged-pots, cast iron of all sorts moulded (not otherwise enumerated), castings of steel (not otherwise enumerated), cast-iron cylinders, wrought-iron cisterns, coal scoops and scuttles, contractors' forgings, condensers for salt-water and steam engines, wire and steel cork-drawers, crowbars, blacklead crucibles, dampers and frames, doorknockers, porters and scrapers, drain grates and frames, drain gratings, dumbbells, engine castings (not otherwise enumerated), engineers' forgings (not otherwise enumerated), fenders, fire-dogs, fire-guards, flower-stands, fittings for pumps engines and machinery (not otherwise enumerated), garden reels rollers seats and syringes, grates, gridirons, grindstone fittings, gun-metal engine fittings, napping quartz and spalling hammers, hasps and staples, hat stands, holdfasts, hook-and-eye hinges, horseshoes, hay rakes and horse-rakes, horse-power gear, hydraulic mains, kitchen-ranges and colonial ovens, lamp-posts, leaden ware, wrought-iron or steel letters and figures, forged levers, connecting or split links, hydraulic lifts, manger rings, mangles, marine engine-cranks and pillars, maul rings, meat hooks, monkeys for pile-driving, ornamental gratings, painted and brass casings for engines, pepper malt bean and oat mills, picks and mattocks, pully-blocks, quarry mauls and picks, quoits, railway chairs, bolts, fastenings, and rail-dogs, connecting-rods, roller skates, sack-trucks, iron safes and boxes, sash-weights, bright wrought-iron shafting, iron sluice valves, soldering-irons, iron-stands, stamped ironware not otherwise enumerated, stench-traps, troughs, truck wheels, cast tue irons, wedges, wrought-iron wheelbarrows and wheels ...	20	0	0	"
Bolts and nuts of $\frac{1}{2}$ in. diameter and over ...	20	0	0	"
Brass cocks, valves, unions, lubricators, and whistles ...	20	0	0	"
Boilers, land and marine ...	20	0	0	"
Chaff-cutters, corn-crushers, and corn-shellers ...	20	0	0	"
Crab-winchies, cranes, capstans, and windlasses ...	20	0	0	"
Fire-engines and hose, not otherwise enumerated ...	20	0	0	"
Gas-pipes ...	5	0	0	"
Galvanised-iron manufactures ...	25	0	0	"
Tin stamped into shapes ...	25	0	0	"
Tinware ...	25	0	0	"
Japanned and lacquered metalware ...	25	0	0	"
Zincware ...	25	0	0	"
Iron and zinc tiles, ridging, guttering, and spouting ...	20	0	0	"
Iron bridges, and iron material for the construction of bridges, wharves, jetties, or patent slips ...	20	0	0	"

Articles.	Rate of Duty.			Rate of Duty.
Iron gates and gate-posts, staples, standards, straining-posts and apparatus	£	s.	d.	per cent. <i>ad valorem</i> .
Iron, plain galvanised sheet	20	0	0	the ton.
Iron tanks	0	10	0	each.
Iron tanks of and under 200 gallons	0	5	0	"
Iron weighbridges	20	0	0	per cent. <i>ad valorem</i> .
Iron barbed fencing wire	0	2	0	the cwt.
Iron pipes, wrought	5	0	0	per cent. <i>ad valorem</i> .
Iron columns for buildings, and other structural ironwork	20	0	0	"
Iron doors for safes and vaults	20	0	0	"
Iron and wire-work, ornamental	20	0	0	"
Lawn-mowers	20	0	0	"
Pumps and other apparatus for raising water	20	0	0	"
Railway and tramway plant and materials, not otherwise enumerated	20	0	0	"
Sad irons	20	0	0	"
Steam-engines and parts of steam-engines, not otherwise enumerated	20	0	0	"
Waterworks pipes	5	0	0	"
Cement	0	2	0	the barrel
Carriages, carts, drays, wagons, and perambulators, and wheels for the same	20	0	0	per cent. <i>ad valorem</i> .
Bicycles, tricycles, and the like vehicles	20	0	0	"
Buggy-shafts, bent wheel-rims, and other bent carriage timber not otherwise enumerated	15	0	0	"
Carriage-shafts, spokes, felloes, and naves not otherwise enumerated	15	0	0	"
Completed parts of carriages, carts, drays, wagons, perambulators, bicycles, and tricycles, and the like vehicles	20	0	0	"
Bags, flour	20	0	0	"
" calico, Forfar, Hessian, and linen	20	0	0	"
" carpet	20	0	0	"
Cartridges and cartridge-cases	15	0	0	"
Greenstone, cut and polished	20	0	0	"
Marble, granite, and other stone, sawn on not more than two sides, and not dressed or polished	5	0	0	"
Marble, granite, and other stone dressed or polished, and articles made therefrom	20	0	0	"
Photographic chemicals	15	0	0	"
" goods not otherwise enumerated	20	0	0	"
Tarpaulins, tents, rick- and wagon-covers; aprons and elevators for reaping and binding machines	15	0	0	"
Wooden tackle-blocks	20	0	0	"

Resolved, That, in the event of any of the duties hereby imposed not being confirmed, or of reductions being made in the rates specified above, the amounts levied, collected, and paid in excess of the duties that may be imposed by the Customs Act, based on these resolutions, shall be refunded to the persons who paid the same.

Resolved, That the duties of Customs now charged on the under-mentioned articles shall cease and determine, namely:—

ARTISTS' canvas, colours, brushes, and pallet-knives	Machinery for mining purposes
Ash timber, unwrought	" refrigerating and preserving meat
BRASS tubes	Metal fittings for portmanteaus, travelling-bags, and leggings
Blind tape	Metallic capsules
Bolts and nuts under $\frac{1}{2}$ in. diameter	PASSENGERS' baggage and effects, including only wearing apparel, jewellery, and other personal effects that have been worn or are in use as personal ornaments by persons arriving in the colony; also implements, instruments, and tools of trade, occupation, or employment of such persons; and household effects not exceeding £100 in value used abroad for more than a year by the persons or families bringing them to the colony, and not intended for any other person or persons or for sale; also cabin furnishings belonging to such persons
Bags, seamless calico	Perambulators, bicycles, tricycles, and the like vehicles (fittings for), not otherwise enumerated
Buttons, braids, tapes, wadding, pins, needles, and such minor articles required in the making-up of apparel, boots, shoes, hats, caps, saddlery, umbrellas, parasols and sunshades, as may be enumerated in any Order of the Commissioner of Trade and Customs and published in the <i>Gazette</i>	Photographic cameras
CANDLENUTS and candlenut kernels	Portable engines
Candlewick	Precious stones unset
Cardboard-boxes, Materials for — namely, gold and silver paper plain and embossed, gelatine and coloured papers, known as box papers	RAILS for railways and tramways
Carriage- and cart-shafts, spokes and felloes in the rough, elm hubs and poles if unbent and unplanned	Rivets and washers of all kinds
Children's boots, shoes, and slippers, Nos. 0 to 3	STEAM-ENGINES, non-condensing, the area of whose cylinder or cylinders exceeds 1,000 circular inches; and condensing engines, the area of whose cylinders exceeds 2,500 circular inches
Cochineal	Steam boiler-tubes, corrugated and welded flues, and Bowling's expansion rings
Coil-springs	Steam fire-engines
Cocoa beans	Shale waste or unrefined mineral oil
Cotton piece-goods and linen hollands invoiced at or under 5d. the yard	Strychnine
DYE-STUFFS, and dyeing materials, crude	Stones, mill, grind, oil, and whet
ENGINEERS' machine tools	Ships' rockets, blue lights, and danger signals
GLASSMAKERS' moulds	TACKS of all kinds
Gum arabic and tragacanth	Tanning materials—crude
Gum-boots	UMBRELLA silk and other fabrics, when cut into pieces not larger than the size required for covering umbrellas, parasols, and sunshades, and to be specially used for such purposes
IRON and steel cordage	Upholsterers' imitation hair-seating
" boiler-plate and end plates for boilers	WIRE, brass, copper, and lead
" rolled girders	Waterproof material in the piece
KANGAROO skins, undressed	Wax, bottling
LOCOMOTIVES	YARN, flax and hemp
MACHINERY for agricultural purposes, also materials for manufacturing the same, viz.: reaper-knife sections, fingers, brass and steel springs and tilt-rakes, chaff-cutting knives, set screws, malleable castings, fittings for threshing-mills, discs for harrows, forgings for ploughs, mouldboard-plates and steel share-plates cut to pattern, and skeith-plates	
Machinery for dairying purposes	

Resolved, That, on all goods, wares, and merchandise imported into the colony, there shall be levied and paid at the time of making import entry therefor a primage duty of one pound per centum on the fair market value thereof in the country whence the same were exported, as such value is defined in "The Customs Laws Consolidation Act, 1882."

Resolved, That, in lieu of the duties of exise now charged on the under-mentioned goods, there shall, on and after the first day of January, 1889, and until the thirty-first day of December, 1890, be charged thereon, and be paid at the time of making entry therefor, the following duty, namely:—

On all cigars, cigarettes, and snuff manufactured within the Colony One shilling and sixpence the pound.
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