

construction of roads giving access thereto. In other words, the lands should be roaded first, or, wherever practicable, the roading and clearing should proceed simultaneously. Again, in respect to the purchase of Native lands, it is necessary, if our Native land policy is to be successful, and fair treatment of the Native race is to obtain, that due provision should be made for the purchase of the land at a price just to the Natives and profitable to the colony, and for the roading and settlement of the same within a reasonable period. It is useless to acquire the lands and then allow them to remain in their natural state for years after purchase. Honourable members will see, as hereinafter set forth, that the moneys under the head of "Lands Improvement Account," and "Native Lands Purchase Account," will be almost exhausted by the passing of the current year's estimates, and members will do well during the ensuing recess to take into their serious consideration how in the future our Crown lands are to be roaded and improved, how Native lands are to be purchased, and settlement promoted, and true and substantial progress made.

On reference to the public works estimates it will be found that the amount asked to be appropriated under Part I is only £425,253, as against £578,530 voted last year, the appropriations asked this year being less by £153,277 than the amount voted last year. The liabilities appear large as compared with the amount asked for, but a portion of these liabilities are technical, and there are others on account of contracts for bridges and large works, the time for the completion of which extends well into next year, and the payment for which will not, therefore, under these circumstances, come to book until after the 31st March next. Numerous instances of liabilities of this class might be quoted, but the following will suffice. The Makarau Contract on the Helensville Northwards Railway was entered into on the 13th March, 1890, and the contract sum (£26,616) was at once entered as a liability, but the contract is not yet finished, and £6,474 stands as a liability against it still.

I propose this year to make an alteration in the method of taking the appropriations under Part I. of the Public Works Fund. Hitherto the votes which were nominally given to cover twelve months' expenditure really had to cover fifteen months, as the only funds available for expenditure during the April-June quarter of any year were the unexpended balances of the previous year's votes. After the 1st July the expenditure is provided for under the Imprest Supply Acts. It is now proposed to amend the law so as to empower the Colonial Treasurer to make payments during the April-June quarter at the same rate as provided for in the appropriations for the preceding year. The Public Revenues Act already provides for this as regards the expenditure of the Consolidated Fund, and there is now no reason why the same rule should not also apply to Part I. of the Public Works Fund. It is therefore proposed to insert in the Public Works Appropriation Bill a clause to the following effect:—

"The Colonial Treasurer may, during the three months ending 30th June, 1896, issue and pay moneys out of the unexpended balances of votes set forth in the Second Schedule hereto, together with an amount equal to one-fourth part of each such vote, but no payment shall be made during such period for any services other than those for which provision is made in the appropriations for the current year, nor in excess of the scale therein set forth."

The new method has been adopted in compiling the estimates this year, and has greatly facilitated the work. It will also have the advantage of preventing misapprehension arising with those who, under the existing state of things, complain that we do not expend the whole of the amounts voted for works before the 31st March in each year.

THE CO-OPERATIVE SYSTEM.

It is with pleasure that I have again to state that the construction of public works under the co-operative system continues to prove satisfactory. When the system was first inaugurated it was asserted that use would be made of it for political purposes. It was also further prophesied that the cost of the works would be excessive, and that the amounts received by the workmen would be greater than those paid for a similar class of work in the district and elsewhere in