

Lands Act, No. 2, 1863," is open to much objection and appears to be so distasteful to a large proportion of the public, that measures, with a view to the repeal or modification of that Act, will probably become a matter of necessity.

2nd. A new code of Land Regulations adopted to an equitable disposal of Agricultural and Pastoral Lands within the Province was in course of construction. This measure, if sanctioned by the Provincial Council and the General Assembly, will, it is hoped, be the means of finally disposing of the Land question in this Province as a subject for legislation as well as of those mischievous complications which have resulted from the frequent changes which have taken place in our local Land Laws.

One main feature of the Regulations which it is the intention of this Government to recommend to the early consideration of the Provincial Council, preliminary to their being submitted to the General Assembly, is the important augmentation which will accrue to the Revenue from the disposal of Pastoral Lands under terms which appear to be approved of by an influential proportion of the Runholders themselves, and which will materially increase the security, which, under existing conditions the lands of this Province afford for the ultimate liquidation of its liabilities.

Having thus laid before you a statement of the causes which led to the issue of the Proclamation, I have now only to repeat the expression of the hope which this Government entertains that the General Government will not conceive it to be incumbent on them to adopt measures calculated to prevent this Government from fulfilling obligations contracted in time of great emergency, with the view of saving, not only the credit of an important portion of the Colony, but of the Colony itself, and which they are alike in honor and honesty bound to fulfil.

I have, &c.,

JOHN HYDE HARRIS.

Superintendent.

The Honorable the Colonial Secretary,  
Wellington.

### Enclosure in No. 4.

#### MEMORANDUM FOR THE EXECUTIVE.

The Provincial Treasurer deemed it necessary on the 17th Nov. to request the Acting Provincial Secretary to issue instructions to the various Heads of Departments, causing all expenditure not absolutely and immediately necessary to cease; notwithstanding this having been done, it is now the duty of the Provincial Treasurer to inform the Executive that in consequence of the almost total cessation of the sale of land, only a little more than £1,400 having been received during this month, combined with the fact that our Debentures, though placed in the market, not having yet been realised, together with the positive refusal of the Bank of New Zealand to permit any further increase of our overdraft, and the inability of the Government to obtain even temporary aid from other sources it is impossible for him to meet the various legitimate demands upon the Treasury unless prompt and energetic steps be immediately taken.

The Treasurer, for the information of the executive, subjoins a statement showing approximately the financial state of the Treasury—

Liabilities at call, say	...	...	...	...	£33,000
Vouchers in Treasury	...	...	...	...	8,000
Unpaid Salaries	...	...	...	...	4,000
Say	...	...	...	...	£45,000

It has been necessary to anticipate monies due from Customs, &c., on the 1st January, to the extent of four thousand pounds to meet present pressing demands.

The Treasurer desires to call the earnest attention of the Government to the fact that our monthly expenditure on account of salaries is ten thousand pounds (£10,000), and on account of departmental contingencies eight thousand five hundred (£8500), making a total of eighteen thousand five hundred (£18,500). To meet this sum, if our land revenue ceases, we shall have mainly to depend upon our share of the Customs, averaging per month about six thousand pounds (£6000) our gold export duty, averaging per month about four thousand pounds (£4000), and our licenses on gold-fields averaging per month say two thousand pounds (£2000). The total amount derivable from these three sources being about twelve thousand pounds (£12,000) per month.

The result of the above statement the Treasurer wishes pointedly to remark is—Provided our land fund fail, that our Departmental expenditure is greatly in excess of the aggregate Revenue derivable from the three principal sources, and that though our Debentures were instantly sold it would not only be unwise but positively ruinous to defray from their proceeds our Departmental expenditure.

The Treasurer in framing his estimates for the six months took credit for fifty thousand