

All payments direct
out of Public Account.

Accounts to be
checked by a
Commissioner; and
correctness of charge
against votes to be
certified.

Advances to be
limited;

And weekly returns
of expenditure out of
advances, to be made.

Gloomy statements
and predictions by
Opposition news-
papers.

No financial
difficulties to cause
apprehension.

arrived, to some extent, at the new system. I say, "to some extent," because what we are now doing involves something more than the proposed system. It involves a pre-audit by the Controller-General and by the Auditor-General, and therefore an unnecessary repetition of the same duty. To return to the Bill:—The Paymaster-General's account is to be abolished. All payments will be made directly out of the Public Account; but no payments will be made except for claims checked and approved by one of the Commissioners of Audit, not only as regards correctness of computation, but as to the several amounts being rightly charged against specified votes, and as to there being sufficient amounts of such votes unexpended, and sufficient moneys in the proper branch of the Public Account to meet the proposed payments. Those honorable Members who are familiar with the prevailing system of accounts, will be aware that any proposal which does not deal with the question of advances must be imperfect. If the system of advances were allowed to continue unchecked, all that could be done in the way of pre-audit would be useless; because, out of the amounts advanced, considerable expenditure might go on: in fact, to a greater or less degree, the old evils would continue. We propose by the Bill to limit the total amount of advances; and to provide that each advance obtained shall be issued with the concurrence of the Commissioners of Audit, and that, as far as is possible, the amount of each advance shall be charged to the vote against which the expenditure will ultimately have to be charged. But since that course cannot always be taken, the new system will admit, in certain cases, of advances being made for miscellaneous purposes. The total amount of advances is to be limited; and if the Treasury should at any time desire to exceed that limit, the Commissioners of Audit will be able to intervene, and to require that a sufficient amount of outstanding advances shall be accounted for, to keep the total within the statutory limit. It is also intended, by the Bill, to make it the duty of every officer who is under advance to send in, each Monday morning, a return of the previous week's expenditure. I will not dwell further upon the subject, than to say that although the new system will impose upon the Treasury an amount of check to which it has not hitherto been subject, it is a system to which the Treasury will properly, and I believe speedily, learn to accustom itself; and that it will answer the double purpose of securing to Parliament the fullest authority over expenditure, and of enabling the accounts to be made up much more promptly than they have yet been. After the experience of a year, I think it will be desirable to consolidate the new Act with the Acts already existing, so as to concentrate into one measure the whole of the legislation relating to the Public Accounts.

NEW ZEALAND COMPARED WITH OTHER COUNTRIES.

I desire to direct the attention of the Committee to a few comparative statistics which I have had prepared. They were compiled in accordance with my directions; and I will admit that those directions were given in consequence of the detraction to which the Colony has been subjected by a section of the Colonial Press. It is my practice to read most of the newspapers published in the Colony, and I observed that some of them persistently asserted, in issue after issue, that the state of New Zealand was such as reasonably to excite the gravest alarm—to describe mildly the sort of criticism employed. It is true that those gloomy statements were made by that section of the press which opposed the present Government, and that, more or less, it was attempted to ascribe the alleged misfortunes to the Government. Still it was incredible that party spirit should go so far as to attempt to decry and prejudice that which all parties ought to have at heart, however various their opinions as to the mode of attaining the result—the well-being of the Colony. I thought it desirable to ascertain, by comparisons with other countries and colonies, whether this Colony was really in the unfortunate position those critics loved to describe. Broadly, the statements were to the effect that the Colony was in great financial difficulties; that it was governed at an extravagant expense; that its taxation was crushingly burdensome; and, generally, that its inhabitants were very unfortunate people. I think the whole facts of the Budget are a disproof of the existence of any financial difficulties calculated to create the slightest apprehension. That the Colony has passed through a period of some depression is of course undeniable; but the difficulties entailed by that depression