

may make this reduction on account of the plan now adopted of obtaining stationery from England, at a large saving in cost as compared with the prices we have been in the habit of paying for supplies obtained in the Colony.

In Class VIII., the item "Militia and Volunteers" shows a total of several hundred pounds less than the appropriations last year; but, as in the case of "Native," I leave to my colleague, the Defence Minister, the duty of making any necessary explanations under this head.

Briefly, by way of summing up the Ordinary Estimates, I may say that the notable items of increase are for Interest and Sinking Fund, for Members' expenses, for additional Public Buildings, and for the Manukau Lighthouse. As to the items charged against the Trust Fund, the Land Fund, and other Estimates of a like kind, I prefer taking another opportunity for explanations, if any are necessary. Upon the Public Works and Immigration Estimates, the Minister for Public Works has already addressed the House.

With this explanation of the Estimates, I will ask honorable Members to follow me into the consideration of the total Colonial expenditure. We need not take into account the interest and sinking fund paid on behalf of the Provinces, because the amounts are recoverable from the Provincial Capitation Allowance, or, in case of deficiency, from the various Land Funds. Most prominent amongst the items not included in the Estimates, stands the Capitation Allowance. At the same rate per head as last year, taking into account the increase of population up to the end of 1871, as estimated by the Registrar-General, the Capitation Allowance this year, with special allowances, will amount to £208,561 12s. 6d., as against £200,614 12s. 6d. last year.

A moiety of the Stamp Duty receipts has to be paid to the Immigration and Public Works Fund Account; and we have also to make provision for £45,000 Treasury Bills falling due during the year. I am sure honorable Members will agree very cordially that provision ought to be made for that £45,000, which represents the second of the three instalments by which the deficiency of the year 1870-71 was to be paid off; and it is to me most gratifying to be able thus to provide for giving effect to the proposal deliberately made in the last Financial Statement.

There is another amount to which I must ask the attention of honorable Members; and that is, the amount which I consider should be charged to the Consolidated Fund, for interest and sinking fund on account of the Immigration and Public Works Loan. Honorable Members will recollect that last year we acted upon the principle that it was not desirable the interest and sinking fund on that loan should be made a burden upon the country until the various works were completed; or, in other words, that it was expedient to capitalize interest upon the cost of works up to the date of their completion. Therefore, we contented ourselves with making no further provision for the interest and sinking fund in question than the payment to the Immigration and Public Works Loan Account of one-half the Stamp Duties, that amount being estimated to be sufficient to meet the interest and sinking fund which would have to be paid during the year. We again pay one-half the Stamp Duties to the Immigration and Public Works Loan Account; and be it remembered that when the time comes for charging the Provinces with interest and sinking fund for railways, the Stamp Duties payment to the Public Works Fund will pass in relief of an equivalent amount for which the Provinces may be found liable. We now, in addition, ask the Committee to consider how much of the interest and sinking fund of this loan should be charged to Consolidated Revenue, on account of works which have become reproductive, or on account of what may be considered final payments.

The principle I suggest to the Committee to adopt is, to charge to the Consolidated Fund, or to the Provincial share of it, as the case may be, interest upon all the amounts expended up to the 30th June, upon works completed, or upon other final payments. Besides the Kaiapoi section of the Great Northern Railway, Canterbury, we have no railways with which to deal. The expenditure on the purchase of Native Land is a Provincial charge, except that, for reasons which it is unnecessary to detail now, we propose to ask the House to adopt as a Colonial charge, the interest and sinking fund on some land purchases within the Province of

Expenditure,  
1872-73.

Capitation Allowance  
£208,561 12s. 6d.,  
against £200,614  
12s. 6d. last year.

Moiety of Stamp  
Duties to Immi-  
gration and Public  
Works Fund  
Account;

And £45,000  
Treasury Bills (half  
of deficiency from  
last year) provided for.

But contribution to  
interest and sinking  
fund on Immigration  
and Public Works  
Loan, in addition to  
moiety of Stamp  
Duties, should now  
be made.

Proposed basis for  
computing amount  
of additional  
contribution.