

Auckland. The amount of interest and sinking fund on such purchases will be £528. Upon the moneys expended up to the 30th June for Roads completed in the North Island, we consider interest and sinking fund should be at once charged on the Consolidated Revenue. We estimate the expenditure on roads far advanced towards completion, to be £80,000; interest and sinking fund upon which will be £4,800. Upon any portion of the Middle Island Railway Fund expended on Railways completed, we consider also that interest and sinking fund should be at once charged. On the Kaiapoi section of railway opened to traffic, about £33,000 of the Middle Island Railway Fund has been expended. Interest and sinking fund on it amount to £1,980. Upon roads on the West Coast and in Nelson, constructed out of the Middle Island Railway Fund, £32,000 has been expended, the interest and sinking fund on which amount to £1,920. Upon Telegraphs, £60,000 has been expended, the interest and sinking fund on which amount to £3,600. To Road Boards and Provinces, £100,000 was last year appropriated, the interest and sinking fund on which are £6,000. On Immigration, up to the 30th June, the expenditure amounted to £42,000, the interest and sinking fund on which are £2,520. Together, these sums amount to £21,348; and to make the sum a round one, we propose that £21,500 shall be the amount of interest and sinking fund on account of the Public Works and Immigration Loan, chargeable on the Consolidated Revenue during the year 1872-73, in addition to the half of the Stamp Duties paid over to the Public Works Fund. We do not profess that this is anything more than an approximate estimate, and of course it can be urged that it does not take cognizance of the interest and sinking fund upon the current expenditure of the year on works completed; but we consider that it represents, with the payment of the half of the Stamp Duties, a very sufficient present charge on the Consolidated Revenue, seeing how necessarily incomplete are the results, of the expenditure. A private firm or joint-stock company engaged in undertakings such as those the Colony is engaged in, would, until the works were completed, capitalize the whole interest, and certainly would not, by sinking fund or otherwise, commence to repay the principal sum.

Proposed additional contribution, £21,500.

This, with moiety of Stamp Duties, will represent fair present charge upon Consolidated Revenue.

£40,000 Unappropriated, under Immigration and Public Works Loan Act, to be appropriated to Telegraph Construction Extension.

I have only one further item under the head of expenditure with which to trouble the Committee. The amount set apart out of the Immigration and Public Works Loan, for Telegraph Construction, has been expended; and there remains a considerable extension of the telegraph to be effected. There is an amount of £40,000 under the Immigration and Public Works Loan Act unappropriated; and I propose that it shall be set apart for Telegraph Construction.

The interest and sinking fund on the "Defence and Other Purposes Loan" are paid out of the Consolidated Revenue. I should not remind honorable Members of this fact, with which it is to be presumed they are acquainted, but that there is sometimes a disposition shown to confound the two loans.

I will now set forth the total proposed Colonial Expenditure of the year:—

	£	s.	d.
Civil List ... ..	27,500	0	0
Permanent Charges ... ..	334,817	9	1
Class I.—Public Domains and Buildings ... ..	8,290	0	0
Class II.—Public Departments ... ..	68,691	15	9
Class III.—Law and Justice ... ..	41,269	16	0
Class IV.—Postal, &c., Services ... ..	136,397	0	0
Class V.—Customs Departments ... ..	49,991	5	10
Class VI.—Native ... ..	23,862	5	0
Class VII.—Miscellaneous, Special and Temporary ... ..	27,134	12	11
Class VIII.—Militia and Volunteers ... ..	27,894	7	6
Redemption Treasury Bills ... ..	45,000	0	0
Contribution towards Interest, Public Works and Immigration... ..	21,500	0	0
Ditto ditto one-half Stamp Duties ... ..	40,000	0	0
Capitation Allowance ... ..	208,561	12	6

Total proposed Colonial Expenditure 1872-73, £1,060,910 4s. 7d.

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