

to be provided for in some manner of £249,766. And the House, I think, will agree with me that still further liabilities in this direction will yet most surely present themselves. In the statement of these liabilities, which I found in preparation for the late Treasurer, they appear to reach a total of £660,000.

There is a sum of £100,000 to be paid in September next to the Wellington Trust and Loan Company, for money lent to carry on the important reclamation-improvement undertaking on the foreshore of the harbour of this city. It is true that the work contracted for promises undeniably to be a reproductive one. The land is security for the outlay, and very good security too; but still, Sir, the works are not yet finished, and are not likely to be completed before or on the date upon which the payment becomes due, and it can hardly be expected that sales to any extent of sections can take place for some time to come. The money, no doubt, can be re-borrowed upon the same security—perhaps even on better terms than originally; and, if there were no greater difficulties to face than this, my task would be much easier than I apprehend it will be.

From the Statement of the late Colonial Treasurer, the House will have seen that there remain no available balances from loans upon which I can pretend permanently to charge any of these payments; but, on the other hand, it is absolutely necessary to go into the Money Market under disadvantageous circumstances to borrow still further; and, to attempt to do so upon anything like reasonable terms, we must be prepared to show a state of finance characterized by soundness and stability.

UNSTABLE CHARACTER OF RECENT COLONIAL FINANCE.

I ask, Sir, has there been exhibited any stability in the finance of this Colony during the recent past? By the Abolition Act, a financial arrangement, supposed to be of a very definite and permanent character, was arrived at in reference to the Land Fund. This grand arrangement, promising durability and stability, never even saw the daylight of its existence, but fell still-born; and great difficulties would have arisen from this cause had not certain provisions in the Financial Arrangements Act of last Session come to the rescue of Colonial Finance. These are the very provisions the late Government proposed again to alter this year; thus removing every trace of fixity and finality from the finance of the Colony.

Now, Sir, to meet all these exigencies, to make the large payments on account of interest that this Colony has periodically to make, to pay salaries, and to provide for the innumerable other matters that have daily to be met, what, I ask, is the present state of the Treasury chest? I have been accustomed, Sir, to deal, and I prefer to deal, with cash. It is very much more satisfactory and more convincing to deal with cash than with mere book-keeping accounts: with the latter, it is not difficult to manipulate balances; with the former, it is not easy to show two sovereigns where, in reality, only one exists.

STATE OF THE PUBLIC ACCOUNT ON OUR ENTRY INTO OFFICE.

On the 13th day of October last, the day on which this Government assumed office, there stood to the credit of the Colony altogether, as shown by its banking