

paid last year for arrears of Sinking Fund in respect of the Imperial guaranteed debentures does not recur in the Estimates for 1883–84; a saving of £2,433 has, moreover, been effected by exchanging, under the Treasury Bills Acts of 1879 and 1880, £1,832,000 Treasury bills bearing interest at 3 $\frac{3}{4}$ d. per cent. per diem for five per cent. debentures, and a further saving in Interest by taking up temporarily a portion of these debentures out of moneys at credit of the Public Works Fund requiring investment.

The remaining permanent charges on the Estimates amount to £78,264, consisting of the Civil List, £29,750; Pensions, civil and military, £27,641; other charges, £20,873. Last year the amount actually expended on these services was £74,845; in the year before it was £78,964.

The amount of the Appropriations proposed for the year is £2,015,802, as against £1,997,098 actually expended last year, and £1,698,868 the year before. These figures show that our actual requirements last year were greater than those of the year before by £298,230, and that this year we propose an additional expenditure of £18,704; thus making the estimated expenditure for the current year greater by £316,934 than the actual expenditure of the year 1881–82. This state of things is rather startling at first sight; but I hope to be able to explain to the satisfaction of the Committee that this apparently large increase of expenditure will be either nominal or practically unavoidable.

I shall first of all refer to the expenditure of last year (1882–83), which, as I have said, exceeded that of the year before (1881–82) by the large sum of £298,230; and it will be convenient that I should deal with the several classes of expenditure in the order in which they are placed in the public accounts and estimates.

In Class I., Legislative, there was an increase of £3,924, chiefly in expenses of members. In Class II., Colonial Secretary, there was a large increase, amounting to £48,465, in the expenditure on Hospitals and Charitable Aid, which is accounted for by the fact that no recoveries were made from local bodies in 1882–83, subsidies having ceased. On the vote for Electoral there was a decrease of £7,825 last year, the general election for the House having taken place the previous year; and on the vote for Registrar-General's Department there was a decrease of £8,020 after the census of 1881. On the other hand, the expenditure on the Stock (sheep, cattle, and rabbits) branch of the Colonial Secretary's Department was increased by £10,654, mainly owing to the transfer to the ordinary revenue account of a portion of the cost of this service paid out of land revenue in the previous year. The expenditure on Lunatic Asylums was increased by £5,957. There were increases in the expenditure on other services in the same class amounting to £3,593, and decreases amounting to £2,659. The net increase of expenditure last year on the class was, therefore, £50,164.

In Class III., Colonial Treasurer, there was an increase of £29,937. Of this sum, £10,843 represents expenditure of the Property-Tax Department in connection with the general assessment, which assessment, honourable members are aware, occurs every three years only; £19,000 was for exchange and commission. The increase of expenditure on the latter item is merely nominal, as, under the arrangement with the Bank of New Zealand for payment of interest in London, by which an additional charge for exchange became necessary, a larger amount of interest is received on the balances at credit of the Public Account in the colony.

In Class IV., Minister of Justice, there was a net increase of £4,645; the total increases being £6,093, of which £1,975 was for criminal prosecutions, £1,473 for prisons, £860 for Resident Magistrates' Courts, £740 for Coroners, and £1,045 for other services; the decreases amounting to £1,448, of which £962 was for the Department of Justice.

In Class V., Postmaster-General, there was an increase of £20,351; the vote for salaries being accountable for £7,505; maintenance of telegraph lines, repairs, &c., £8,111; and conveyance of mails by sea, £4,128; the balance being made up of small increases and decreases on other votes in the same class.

In Class VI., Commissioner of Customs, there was an increase of £2,356, £1,350 being for salaries, and the remainder for Seal Fisheries and the "Stella."