

£370,000, which is at present charged under section 4 of the Appropriation Act of last year, to the Loan Account, and for which further ways and means will have to be provided, or the amount will have to become a permanent charge against the loan. It will be necessary also to make some provision for further expenditure upon open lines, which cannot possibly be avoided. I fear that a sum of not less than £100,000 will be required to be expended annually upon the open lines, besides all charges for renewals, maintenance, and repairs, which are, of course, charged against the receipts, if the railways are to keep pace with the increasing traffic.

Under ordinary circumstances, Mr. Hamlin, it would now be my duty to submit for the consideration of the Committee the proposed expenditure of the ordinary revenue for the current year, and then to ask the attention of honourable members to the estimated revenue with which it was intended to meet such expenditure. But, as matters stand in this House, I have only to ask the Committee to grant sufficient supplies to carry on the public service until the meeting of the new Parliament, and to make temporary provision for the deficit of last year, and such further provision for public works as may be required until the new Parliament shall have decided how the expenditure upon open lines is to be ultimately charged. I do not propose to ask the Committee to consider estimates of expenditure either of the Consolidated Fund or of the Public Works Fund, but to obtain the necessary authority for expenditure by an amendment of the Public Revenues Act, which will extend the appropriations of last year, with such few additions as may be necessary, until the end of August next. I shall ask the authority of Parliament to issue £150,000 deficiency bills to provide for the deficit in the Consolidated Fund to the 31st March last. These bills will be in addition to the £400,000 at present authorized to be raised in temporary aid of the revenue. I may here say that I am of opinion, from the experiences of last year, that £400,000 of deficiency bills are barely sufficient to carry on the public service without the risk of incurring serious difficulties. These difficulties arise chiefly from our having to pay at certain periods of the year large sums for interest and sinking fund, before the consolidated revenue has accumulated sufficiently to meet the necessary payments. The revenue comes in irregularly from Customs and Railways, and especially from the Property-Tax, which is collected only once or twice a year. I propose, therefore, upon the present occasion, as the Property-Tax cannot be collected within the current half-year, to ask for further power to issue deficiency bills to the extent of £50,000. With this additional amount of ways and means, and if the House sees fit to grant authority to raise the extra £150,000 of deficiency bills to meet the deficit in last year's revenue, I think there will be no difficulty in making all necessary payments until the meeting of the new Parliament.

With reference to the Public Works Fund, I have stated that there was an unexpended balance of £877,912, but of this £202,484 was advances in the hands of officers; and, as honourable members who follow the public accounts know, advances outstanding, although included as balance in hand, are not really available for expenditure. These outstanding advances vary from time to time from £60,000 to £300,000. The expenditure during April and May has been rather heavy, amounting to £278,894; thus leaving the unexpended balance of the fund on the 1st June last £678,229, but of this amount £299,734 was advances. The expenditure for June, July, and August will be less per month than the expenditure for the months of April and May. The expenditure for April and May, though large, would have been gradually tapered off month by month until the floating of the next million of the Three Million Loan; but, owing to the large expenditure which has been found necessary during the last two years upon the open lines, and the action which the Government has taken in ordering rails, sleepers, and rolling-stock so as to expedite the works, it will be necessary to obtain some temporary aid for the Public Works Fund until, as I have said, the new Parliament has determined how the expenditure upon the open lines is to be charged, and until the raising of the third million of the Three Million Loan. A