

denly find an overflowing treasury. On the other hand, when prices are low we find ourselves face to face with that unpleasant fact for a Treasurer—a deficit. In so small a country as this, we shall always be subject to sudden rises or falls, within certain limits, in our revenue, and we must from time to time expect to have to face a deficit unless we are prepared in our annual budgets to leave a much wider margin of surplus than seems to me either desirable or necessary: for a large surplus, in my experience, generally means pressing demands for greater expenditure; it also means that more money has been taken out of the pockets of the taxpayers than was necessary for the service of the year: and this I have always endeavoured to avoid doing, holding, as I do, the belief that no Government is justified in collecting more money than is sufficient to carry out the services voted by Parliament.

LAND FUND ACCOUNT, 1883-84.

The amount to be expended during the year out of the moneys derived from sales of land was estimated at £238,162; of which £36,600 was for payments under permanent Acts of the General Assembly, and £201,562 for payments under votes for the services of the year. The actual expenditure was £238,662, or £500 more than the estimated amount; the expenditure under permanent Acts being £34,843, and under the votes of the year £203,819. The moneys handed over to local bodies for expenditure on road-making from moneys derived from lands sold on deferred payments was £23,358; there was also paid to local bodies during the year £45,446 for rates under "The Crown and Native Lands Rating Act, 1882," making a total of £68,804 handed over to local bodies to be expended by them. The expenditure in respect of the Crown Lands, Survey, and other Departments amounted to £158,373, being £3,190 within the amount authorized. The amount transferable under section four of "The Roads and Bridges Construction Act, 1882," to the Main Roads Account in the Public Works Fund, on account of the transactions of the year 1882-83, was found to be £75,203; but no transfer was made during the year 1883-84, the necessity for doing so not having arisen.

The liabilities outstanding on the 31st March, 1884, on this account amounted to £33,577, exclusive of the sum of £75,203 transferable to the Main Roads Account in respect of the transactions of the year 1882-83.

The estimated revenue during the year from sales of land was £275,600; the actual receipts proved to be £232,545, being £43,055 under the estimated amount. The revenue derived from cash sales was £163,758, and from sales on deferred payments £68,787. To the revenue I add the balance with which we began the year, £86,564, making the total receipts £319,109; deducting from this amount the expenditure, amounting to £238,662, which includes the sum of £68,804 paid to local bodies, we get a balance at the close of the year of £80,447, subject to the charge of £75,203 transferable to the Main Roads Account.

THE PUBLIC DEBT.

On the 31st March, 1884, the gross public debt of the colony amounted to £32,367,711, and the accrued sinking funds to £2,792,808; the net public debt was therefore £29,574,903. Of this sum, however, there remained unexpended £877,912.

In the Financial Statement which I made in 1883 I informed the Committee that when the amount represented by Imperial-guaranteed and other debentures, amounting to £723,300, temporarily taken up out of the moneys at credit of the Public Works Fund, and which was not therefore included in the public debt of the colony, had been raised, the net debt would amount to £28,508,581. During the past year £599,300 of the sum mentioned has been raised, leaving £124,000 unraised, which I accordingly deduct, and get £28,384,581. During the year there has also been raised the second £1,000,000 of the loan of three millions authorized in 1882, together with the £250,000 authorized by "The Colonial Inscribed Stock Loan Act, 1882." The debt has further been increased to the extent probably of £161,300 by the conversion—to which I shall presently refer—of