

PUBLIC WORKS FUND.—PART I.

To sum up the proposals of which I have now given the details, they amount to this: In Part I. of the Public Works Fund we had, on the 31st March last, a balance of £491,246, and we are further entitled under this fund to a sum of £83,814 under section 31 of "The Government Loans to Local Bodies Act," making in all £575,060; but as against this we had expenditure up to 30th September, amounting to £243,953, and liabilities actually brought to book at same date amounting to £280,495, and further engagements which, though not brought to book, were to all intents and purposes liabilities amounting to £184,836.

The total amount of these engagements over and above actual expenditure and liabilities, in point of fact, amounted to £205,446, but as against these there were credits to come in from Consolidated Fund, and Parts II. and III. of Public Works Fund, amounting to £20,610, thus bringing the net amount of engagement to £184,836 as before stated.

My colleague the Colonial Treasurer, in his Financial Statement, referred to these engagements as amounting to about £150,000, but since then they have been more accurately gone into during the preparation of the Public Works Estimates, and are now ascertained to be £184,836.

Adding together the expenditure up to end of September, with liabilities and engagements at that date, gives in all £709,284 as expenditure, liabilities, and engagements up to end of September, as compared with the £575,060 assets on the same date; thus showing that our actual present expenditure, with liabilities and engagements on 30th September, exceeded our assets on that date by £134,224, and this too without allowing anything for recurrent charges, such as immigration, departmental expenditure, roads maintenance, subsidies to local bodies, work for unemployed, completing engagements in aid of land purchases, telegraph extension, additions to lunatic asylums, school buildings, and rates on Native lands, &c.

In view of these recurring charges, therefore, and also in view of the deficit of £134,224 already existing, it was considered, and it is still considered by the Government that nothing short of £500,000 additional funds would be sufficient to admit of a reasonable sum being allowed for immigration, and at the same time permit of our bringing our recurrent engagements in respect of the other services to a close otherwise than in an abrupt and unsatisfactory manner.

In the case of the several main roads, for instance, for the maintenance of which the Government has made itself responsible, we cannot abandon these roads to their fate, as we might thus become liable for damages in the event of any accidents happening through our negligence, and neither can we divest ourselves of the responsibility attaching to these roads all at once, by handing them over to the local bodies, or placing the whole charge on the Consolidated Fund. The same also applies more or less to the class of buildings and other works.

With great reluctance, therefore, for we had hoped to be able to do without a loan at all, we came to the conclusion that we must ask for authority for £500,000 under Part I. of the Fund, and, assuming that this is granted, our total assets under this fund, counting from 31st March last, would be £1,075,060, and we would propose to allocate the expenditure of this sum, during the present and next three years, as follows:—

For Immigration, with debits (consisting of expenditure, liabilities, and engagements at 30th September), amounting to £13,702, we propose to allocate £70,720.

For Public Works Departmental Services, with debits amounting to £6,000, we propose to allocate £13,000.

For Railways (other than those provided for under Parts II. and III. of Fund), with debits amounting to £3,500, we propose to allocate £3,500.

For Roads of all classes, with debits amounting to £366,020, we propose to allocate £528,330.

For waterworks on the goldfields, with debits amounting to £2,000, we propose to allocate £2,000.