

with the other moneys available, will bring the total ways and means of the Fund for the current financial year up to the sum of £747,628, as I will show in tabulated form presently.

The estimated expenditure this year shows a comparative increase. But the amount that will actually come to charge before the 31st March next is not likely to materially exceed the expenditure of last year, and a portion of the amount (about £15,000) is due to contracts let prior to January, 1891. In taking our votes it is necessary to cover the probable expenditure for three months after the end of the financial year, as no further supplies will be voted by Parliament until after that date. The appropriations for the year are therefore always in excess of the expenditure that can be brought to charge during the year. The demand for expenditure on roads—an expenditure absolutely needed to keep pace with the rapid settlement that is fortunately proceeding—is also exceptionally heavy; but, as far as we could see our way with the limited funds at our disposal, the most urgent demands have been met.

It has been charged against the Government that a large proportion of the expenditure now going on in connection with our railways is being incurred for formation-works only, and that the lines are not therefore complete and available for public use. This, however, is not the truth, as during last financial year the Te Aro extension of the Wellington-Woodville Railway has been completed and handed over to the Railway Commissioners; and the Mangaonoho Section of the North Island Main Trunk Railway (from Rangatira to Mangaonoho, a length of 3 miles 70 chains), and the Mokihinui extension of the Westport-Ngakawau Railway (a length of 7 miles 12 chains) have been handed over since the close of the financial year. The Greymouth-Hokitika Railway is also available for occasional traffic, and will very shortly be ready for regular working; and the Rotorua Railway is also expected to be open for traffic as far as Tarukenga next month.

Owing to the limited amount of money now at the disposal of the Government for expenditure, it is impossible to expect that this Statement will satisfy every one. At the same time it is very cheering to note that, notwithstanding the comparatively small expenditure in connection with public works during the last three years, the country has been generally prosperous. If we compare last year with former years, when the expenditure on public works amounted to nearly two millions per annum, we find fewer men out of employment, the industrial population more contented and prosperous, and the country generally in a sounder condition.

Fault has been found by a section of the community with what has been termed our “hand-to-mouth policy” in public-works expenditure. Persons are always to be found who will complain, with or without just grounds, and it is only to be expected that those who favour a borrowing policy, because they have something to gain by a large expenditure on public works, should denounce the present system. If, however, a Betterment Tax were placed on all properties benefited by the expenditure of public moneys, there would soon be an end to the clamour for borrowing and a lavish public-works expenditure, and political railways would be things of the past.

By constructing our public works as far as possible on the co-operative system small settlers located in their vicinity have found employment, and the working-classes have been able to enjoy more practical benefit from the expenditure than at any time previously. In the past it has not been the masses who have derived the chief benefit from our large outlay, but the owners of property, in the neighbourhood of whose land railways, roads, and other public works have been constructed. The value of such lands has thus been materially added to without their owners being called upon to pay their due proportion of the increased charges entailed upon the public purse by such expenditure.

During the year I have visited many of the works in course of construction in different parts of the colony; but, before giving any details in respect of these several works, it would be well for me to give full particulars of the position of the Public Works Fund.