

the proceeds to the Public Works Fund. These figures produce a total of £586,300, for which debentures have been created and issued, and the proceeds carried to the Loans to Local Bodies Account. The expenditure to the same date has been as follows: £458,061 has been paid over to local bodies; £37,833 to the Lands and Survey Department for roads to open up lands for settlement; £89,800 has been transferred to the Public Works Fund in respect of the debt due to that fund upon the conversion of the debentures given by the local bodies under "The Roads and Bridges Construction Act, 1882"; and £177 transferred to ordinary revenue: making a total of £585,871, which, deducted from the amount credited, leaves a balance of £429 at close of the year.

The amount required for road-making in this colony, owing to the increased demand for settlement—particularly in the North Island—and the necessity for having access to the same, is becoming a very serious item to provide for in the finances of both the General Government and of the local bodies, and I do not see any signs of a decrease in this direction: indeed, I am informed by my colleague the Minister of Lands that there is every probability of the whole of the funds being required which the Government is authorised to raise under the Loans to Local Bodies Act of the session of 1891.

Further moneys required for road-making.

The moneys received and the amount spent during the past year are set out in detail in the accompanying tables; and the usual annual statement will also be laid before honourable members.

Table No. 1.

On the 31st March, 1893, the sum of £21,015 was at credit of the Sinking Fund Account, in the hands of the Public Trustee.

Sinking Fund.

THE PUBLIC DEBT.

Table No. 3.

The gross public debt on the 31st March, 1892, was £38,713,068; on the 31st March last it was £39,257,840: showing an increase of £544,772.

Gross debt.

The accretions of Sinking Fund on the 31st March, 1892, amounted to £1,037,862; and on the 31st March, 1893, they are stated at £1,113,770: producing a net increase of £75,908 for the year.

Sinking Funds accrued.

The net public debt on the 31st March, 1892, was £37,675,206; on the 31st March last the net debt was £38,144,070: resulting in an increase of £468,864 on the year's transactions.

Net debt.

With respect to the increase of the gross debt by £544,772, it is right to mention that £328,347 was added as a result of the loans converted by the operations of the law connected with the Consolidated Stock, 1884, debentures, convertible on the 15th January and 15th April last, and concerning which I have already made mention in my remarks relating to the conversion of loans. Some further conversions also increased the debt by £5,099, making altogether £333,446 of increase through conversions effected. Although the capital amount has been increased, a very substantial saving of interest (some £53,000 per annum) results from these conversions.

Increase of the gross debt by £544,772.

The tables accompanying the Statement will give honourable members full particulars of the various operations; I do not, therefore, propose to do more than mention the principal items. The issue of the usual Consolidated Stock debentures, representing the Sinking Fund accretions of the year, amounted to £280,300; £104,300 of debentures under "The Government Loans to Local Bodies Act, 1886," were issued; as also £27,700 debentures under "The Native Land Purchases Act, 1892," and £9,746 debentures under "The Naval and Military Settlers' and Volunteers' Land Act, 1892." On the other hand, £158,520 of "The Consolidated Stock Act, 1884," debentures, and £52,200 of "The Consolidated Loan Act, 1867," bonds, were redeemed.

Items of increase and decrease.

THE FINANCIAL YEAR 1893-94.

EXPENDITURE OUT OF THE ORDINARY REVENUE ACCOUNT.

Table No. 8.

Having briefly placed before you a statement of the financial results of the past year, it is now my duty to submit our proposals for the current year, and to give you an estimate of their probable effect upon the finances of the colony by the end of March, 1894.

Proposals for the current year.