

It will be seen that the advantages which the Land Fund has enjoyed have been great though not proportionate, but into that question I do not now propose to go. I have shown the extent to which the Consolidated Fund has been burdened by the payment of Interest and Sinking Fund on moneys expended in performing the work for which the Land Fund was localized, viz., the opening up and settlement of the country, and, applying the arguments I have just used, I shall ask the House to re-affirm the principle that moneys expended on these purposes are properly chargeable upon the Land Fund. We recognize that at the present moment the refund of these charges is beyond the immediate power of the less wealthy Districts; but, as respects the Provincial Districts of Canterbury and Otago, no such argument can be urged, and we propose to charge the Land Fund of Canterbury with a sum of £58,000, and that of Otago with a sum of £109,000, being in each case one moiety of the amount by which the Land Fund of those Districts has been aided. With the exception of a small permanent debt, the charge of two per cent. for Railways, the subsidies payable to Counties and Road Boards, and the cost of Survey and Administration, the Land Revenue of Canterbury is absolutely free. And, in view of the fact that a sum of £250,000 of surplus Land Fund has been distributed within the District during the past six months, and that a further sum of £100,000 is now ready for distribution, we propose to deduct her contribution from the sum in hand. The case of Otago is somewhat different. The District has a very large estate, though it is burdened now with leases just expiring, and which it would be a waste of public money to cancel. We propose, therefore, to raise the amount required to meet its contribution, together with the sum of £36,000 advanced last year in aid of the District Land Fund, treating the debt as a provincial liability, and making the Interest and Sinking Fund a permanent charge upon its future Land Fund. The whole Land Fund of the Otago District for the year will then be free, excepting only the two per cent. under the Financial Arrangements Act, the interest on its Provincial Debentures, the cost of Surveys, and Land Administration, and the subsidies to Counties and Road Boards.

Principle should be re-affirmed, that expenditure for Railways, Immigration, &c., is chargeable upon Land Fund.

Canterbury and Otago to be charged with moiety of unrecovered interest.

How this proposed to be done in case of Canterbury:

And of Otago.

The relief to the Land Fund under the proposals of the Government is very considerable. In the Southern Provinces, Education was almost entirely borne upon the Land Fund under the Provincial system; and, considering that the whole cost and maintenance of schools, of police, of gaols, of lunatic asylums are now borne upon the Consolidated Fund, I do not think that the inhabitants of Canterbury and Otago will consider the proposition I have made unreasonable. And it must further be borne in mind that when the Colony has incurred a large expenditure for public works and immigration, which is yearly improving the public estate, at a time when the burden of the expenditure on uncompleted works is most severely felt, the only possible means of maintaining the broad principle of localizing the Land Fund is by taking care that all rightful charges upon it are fairly and justly met.

Relief to Land Fund under present proposals with respect to Departmental Services.

ESTIMATED REVENUE, 1877-78.

Revenue, 1877-78.

I will now state the estimated Consolidated Revenue for the year, and, in doing so, I will merely remark that I have set down the Customs Revenue at the amount which it produced last year; in other items of revenue I have estimated for a slight increase. The receipts from Railways, I have estimated, after careful consideration, at £604,143, against an estimated expenditure of £434,143. In other words, I estimate that our Railways will next year produce a profit on the work done of £170,000.

Railways: Estimated profit, £170,000.

CONSOLIDATED REVENUE—				£	s.	d.	£	s.	d.
Customs	...	...	...	1,226,000	0	0			
Stamp Duties	...	...	...	124,000	0	0			
Postal	...	...	...	107,000	0	0			
Telegraphic	...	...	...	70,000	0	0			
Judicial	...	...	...	43,000	0	0			
Native Lands Courts—Fees, &c.	...	...	...	10,000	0	0			
Fees—Registration of Land	...	...	...	13,250	0	0			
„ Registration of Deeds	...	...	...	16,250	0	0			
„ Registration of Births, &c.	...	...	...	5,200	0	0			
„ Crown Grants	...	...	...	6,060	0	0			
„ and Fines, Sheep Inspection	...	...	...	11,000	0	0			
„ Miscellaneous	...	...	...	3,950	0	0			