

remission from the surplus of £191,348, which I have just stated, we shall have a surplus of £60,348 at the end of the financial year, which may be reduced by supplementary estimates.

PUBLIC WORKS.

I now come to the question of public works funds. I shall attempt to deal with it without forestalling my colleague, the Minister for Public Works. It is my task to find the money, his to spend it. I have already stated that we shall want £100,000 additional aid this month, and additional aid each succeeding month until the third million of the 1882 loan is raised. My predecessor had made arrangements for the disposal of another £100,000 of deficiency bills, for authority to issue which he proposed to ask the House. I am happy to say I shall not require to trouble the House to give this additional authority. I have made arrangements to obtain half a million in anticipation of the million loan next year, to be supplied to us as we want it. What possible good can there be in coming to the House for dribblets of £100,000 when we know the existing liabilities require five times as much for their satisfaction; besides, legislation is unnecessary. About £600,000 of the Three-Million Loan will have been spent on open railways; about £50,000 will have been consumed on the charges of raising the loan. In short, there will be little, if any, of the third million left when it is raised. I will refrain from exciting the susceptibilities of my honourable friend opposite by commenting on the deplorable manner in which his Three-Million Loan scheme has broken down.

We cannot afford to leave the roads unmade, the Native land purchases uncompleted, the gold fields neglected, the fragments of railways scattered over the country to rot away. We must borrow more, and the question is, what shall be the amount? The gentlemen who have done me the honour to think—or rather, I should say, to pretend to think—that my only policy is borrowing, have circulated reports that I intended to propose ten or fifteen millions—indeed, one gentleman went as high as twenty-five millions—but, then, he dwells in a lake and hilly district, where, amongst the wonders of nature, the imaginative faculty is said to be abnormally developed. This, Sir, is, I believe, the plank on which my honourable friends and well-wishers opposite propose to return to office. When they have heard what I have to state, I fear, like Edgar Poe's "Raven," they will be inclined to murmur, "Nevermore." We shall ask authority to raise an additional million and a half, out of which we shall replace the amount abstracted from the Three-Million Loan. Honourable members who have followed the remarks I have just made about the loan will see that the new loan is only partly for the current year. It is chiefly for expenditure after the end of the financial year; and if they wish to avoid future *fiascos* they must not spend one year and borrow the next, but borrow as the expenditure has to be met. But it is important, in view of the operations to which I have referred as now pending in the London market, and the further operations that will be necessary in the direction of conversion, that we should as much as possible limit our borrowing just now. We may, perhaps, as I have already said, liberate a large amount of sinking fund, which will be available for the votes of the House. It is not feasible, however, to fix a time for this result. Conversion will have to be effected to suit the market, and the time it will take cannot be accurately fixed. As regards further borrowing, we must in a great measure be guided by the increase in our power of meeting annual charges. Depend on it, we have the right to look each year for large natural increases in the revenue.

I present to the Committee an interesting table showing the revenue each third year over a period of twelve years. I do not pretend that it accurately presents the natural increase, because there have been changes in rates and modes of raising the revenue; but on the whole it gives a good idea that there is a great natural increase, and one on which reliance may be placed, if efforts are not made to dwarf the material progress of the colony. Without unduly forestalling the communications my colleague will make in his Public Works Statement, I must call the attention of honourable members to some points which have acquired peculiar interest on account of the reference made to them in the Speech from