

or be greatly reduced next year. Thus, for instance, we have this year to spend for Defence £120,000, while next year the amount will be only about £40,000. In connection with the Roads and Bridges Construction Act we have to spend this year £39,740, while next year there will be no further expenditure asked for. For the roads north of Auckland £34,600 is required this year, and that practically fulfils all our engagements under that heading, and if our proposals for charging school buildings to Local Loans are approved of, the £55,000, or so, which we have been accustomed to vote yearly for school buildings, will also disappear from the Public Works Estimates. We are also in hopes, that with the liberal provision which has been made for loans to local bodies, the claims upon colonial funds for roads and bridges will not be so numerous. It seems probable, therefore, that the £397,860 above referred to will be quite ample for all that is required for general purposes (outside of railways and land purchases along North Trunk line) during the next financial year.

ESTIMATES OF EXPENDITURE DURING CURRENT YEAR.

The large amount of the votes which have been asked for from year to year for public works purposes, in comparison with the amounts which are actually required for expenditure, having frequently led to misunderstandings as to the real state of the case, I have framed my Estimates this year in a form which I believe will be more acceptable to honourable members, as they show in one column the amount required to be voted for actual expenditure on each work during the current year, and, in an adjoining column, the total amount which is required to be authorized in all, to cover contracts which will have to be let before further votes are granted by the House, but which will not come in for payment till next financial year.

The amounts in the second of these columns therefore correspond in character with the votes heretofore asked for, as they show the total authority required to cover the proposed expenditure this year, which provides for liabilities at present existing, together with the further undertakings to be entered into before this time next year, in order to keep the works going. By this means the House will see more clearly what our proposals actually are for the current year, and there is also what may seem, at any rate to some honourable members on the other side of the House, to be the additional advantage, that the Government is more strictly tied down to carry out its proposals than certain Governments have hitherto been, as our expenditure on any class of works will now be limited by the actual amount which we propose to expend on that class for the current year, instead of being capable of being extended up to a larger proportion of the authority granted for some classes, and a lesser proportion of other classes, as has hitherto been the case; that is to say, in fact the Government could gain nothing under the system which I now propose by retarding any one class of works with the view of unduly pushing others, as they will be limited on each class by the amount granted for actual expenditure on that class during the current year.

With regard to the gross total so asked for for expenditure during any year, however, I should mention that it is not probable that this will in practice be quite reached up to, because we must necessarily provide for the full amount of payments which are estimated to fall due during the year on each class of works; and of course some of these may not so fall due, and besides that it would not be possible in any case to expend the full amount provided for all classes of work, without risk of exceeding on some of them, and as we cannot exceed on any of them, the inference is plain that the total expenditure must still be somewhat less than the total votes.

I should also, however, make it perfectly clear that, while the House is only being asked to actually vote for expenditure this year the amount given in the first of the columns referred to, it is also being asked to authorize the entering into further contracts, and the incurring of further liabilities generally, up to the difference between the amounts in the first column and those in the second