

debt of Taranaki, it will still be largely below the average of indebtedness of other Provinces of the Colony. I am aware that these proposals to meet special provincial embarrassments are open to criticism on general principles; they are, however, in our opinion, the only practicable provision for a case of peculiar difficulty. The only other alternative is for this Legislature to take the responsibility of saying that the necessary machinery for the protection of life and property in some parts of the Colony may, so far as it is concerned, be allowed to lapse altogether. It is not our fault that I have now to propose exceptional provision for these services. The Government made different proposals, which would have provided for such services, as I think, on a more safe and satisfactory principle; but owing to circumstances which I will not now enter into, although this principle has been adopted by the House, we are not enabled to give practical effect to it during the present Session; we are therefore thrown back on the old system, of which the present difficulty is the inevitable result. I have now stated what changes the Government propose in respect to the ordinary services of the year. I will proceed to refer to the extraordinary services. In the Financial Statement submitted to the Committee on a former occasion, the extraordinary sources of income for the year were described as two; first, an available surplus under the Public Debts Act, amounting, after providing the estimated expense of raising the Loan, to about £33,068; and, secondly, the repayment of the advance of £55,117 made to the Province of Southland. On these sums, amounting in the aggregate to £88,185, we propose to charge the following services. For the cost of a new Government House and Offices, £15,000; for Marine Survey £3,000; for Telegraph Extension, £24,000. This latter item has been increased by final payments on account of the Cook Strait cable, of which intimation has recently reached us, and includes £7,000 for the extension to Wanganui. After providing for these services, there remains a balance of £46,185 still available from the extraordinary income of the year. This account will stand as follows:—

							£
Estimated Surplus under Public Debts Act after providing for expense of raising Loan							33,068
Advance to Southland, to be repaid							55,117
							<hr/> £88,185
Government House and Offices							£15,000
Marine Survey							3,000
Telegraph Extension							17,000
Do. do. Wanganui							7,000
Balance available							46,185
							<hr/> £88,185

The Committee will remember that the Government proposed to devote a part of this balance to Contingent Defence, and the remainder to paying off outstanding Treasury Bills. Additional expenditure, I need hardly state, is now required under the head of Defence. While it is the duty of the Government, as, indeed, of every member of the Legislature, not to exaggerate or lend itself to any exaggeration of the difficulty or the danger of the position in which the Colony is placed, it is still more the duty of the Government not to underrate, or to allow the Legislature to underrate, the character and extent of these dangers and difficulties; while exhibiting no alarm in the face of our enemies, we should nevertheless make preparation for every contingency. The Government proposes to deal with this important question in this spirit, determining to make such arrangements for meeting any crisis as will find us prepared for the worst, but believing that the whole of the sums for which we ask will not actually be expended. I am sorry that the Hon. the Defence Minister, who believes that his duty has called him elsewhere, is unable to be in his place, as I am unable to give the House such full explanations with respect to the preparations for Defence as he would be able to do. It will be better for me on the present occasion not to attempt more than to indicate generally the course which the Government proposes to adopt. We propose to raise the permanent Constabulary Force for the present to five hundred men, to increase their pay by 1s. a day, and to make some addition to the pay of the officers. We do not propose to increase the number of divisions, but to raise the strength of each division from sixty-six to one hundred men. If, in time of emergency, additional men are required, we propose, instead of raising special corps, as was recently done, to add men to the Constabulary Force itself, and, when the emergency shall have passed away, to weed the whole force, thus retaining the best men. We believe, from recent experience, that this will be found a more satisfactory way of temporarily increasing our forces than that lately adopted. The cost of the Armed Constabulary during the present year will be raised from £47,497, as it now stands in the Estimates, to £81,000, being an increase of about £33,000. This is not, however, all the provision for Defence which it is our duty to propose. We feel bound to ask, in addition, for a contingent vote for this purpose, which vote will not be spent unless absolutely required. Honorable members will recollect that out of the vote of £45,000 for Contingent Defence granted last year, only £5,000 was actually expended; and although we feel bound to ask for this additional contingent vote, we trust that at any rate the whole of it will not be required. In addition to the £40,000 available for Contingent Defence at the commencement of the present year, we ask for £50,000, making the total Contingent Defence vote for the year £90,000. The sums I have mentioned will enable the Government, if necessary, to keep in the field, during twelve months, one thousand men, or a larger force for a correspondingly shorter period. We trust and believe this force will not be required, but it is no larger than ought to be placed at the disposal of the Government under existing circumstances. The additional demands which we make on the resources of the Colony amount, therefore, to £83,000, being £33,000 for additions to the Armed Constabulary, and £50,000 for the addition to the Contingent Defence vote. The ordinary cost of the Constabulary as first proposed in the Estimates for the year, will be charged to the ordinary revenue, but the additional £33,000 required to meet the present emergency, as well as the votes for Contingent Defence, will be charged on the extraordinary resources of the Colony. This sum of £83,000 we propose to provide as follows. I have already explained that there is a balance available of £46,000: the remaining £37,000 will have to be provided by the issue of Treasury Bills. I have now stated to the Committee the proposals of the Government for dealing with the exigencies of the present position. I promised the House to make my statement a brief one, and I think I have kept my promise, having confined myself to those changes in our financial proposals which recent occurrences have rendered necessary. We do not underrate the gravity of the position. We recognize that on the West Coast we are in the presence of a formidable difficulty, the importance of which has greatly increased while Parliament has been in session, and that the description which properly applied to it at the commencement of the Session is now no longer applicable. We further admit that in addition to the storm which exists on the West Coast, there are dark clouds hanging over other parts of the Colony, which may, and we trust will disperse, but which it is our duty to carefully watch, and for the bursting of which we ought to be prepared. For this reason we ask the House for the