

Revenue, and that the entire money borrowed was to be spent on certain reproductive works; and we are dealing unfairly by the Colony by limiting the amount of public works which the money authorized to be borrowed should produce. If a year hence I find the Consolidated Revenue unable to bear these annual charges, I shall be prepared to meet the difficulty by an augmentation of revenue which would properly involve changes in the incidence of taxation rather than that the Colony should be deceived by the idea that it is getting public works for its borrowed money, whilst it is in reality spending its loans in paying interest upon the loans themselves. But before resorting to any augmentation of revenue, this Government would greatly fail in its duty to the country, and to those whose votes have placed its members on these benches, if it did not meanwhile strain every nerve to economize, and to reduce the expenditure of the Government. I believe that reductions to at least £25,000 per annum can be made upon the General Estimates; and the Committee will have reason to find fault, if, when I bring down the Estimates next year, that reduction is not effected.

The Public Works Estimates will be laid before you by the Public Works Minister, although I hope that on future occasions the Treasurer will take the responsibility of bringing down to the House all the Estimates for the various departments.

Permit me, Sir, only to say further, that, recognising as I do the important reforms instituted by my predecessor in the department over which I have now the honor to preside, it will be my duty, as well as my pleasure, freed from the cares of any other office, to devote myself during the recess to reducing those intended reforms into such a practical shape as will simplify the Public Accounts, reduce the existing circumlocution and conflict between the various departments, and enable both the public and the Public Service to be better served at a reduced cost. The whole subject of the financial relations of the Provinces and the Colony will also have my most careful attention; and, however difficult the task may be, I do not despair of arriving at such a solution of this much-vexed question as will, on the one hand, terminate entirely the uncertainty from year to year of those relations, and, on the other, do justice between the respective sections of the Colony.

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