

expenditure through which the Colonial Government can find no path, it is only another illustration of the evil of governing from a distance. Had the Provincial Council been in session, the Appropriation Ordinance could have become law without half the delay that has occurred; and I can only add that my Advisers feel that, though the action of the Waste Land Board and your Government would place them in a difficulty, they could not well reduce the estimates of expenditure, as the sales of special-value land towards the end of the six months might make up the deficiency. If, however, the land revenue does not come up to expectation, means have been taken to keep the expenditure within the revenue. I concur with you that there exists in Otago a colonial pride and spirit, in which I have always shared, and which influenced me in opposing a dismemberment of the colony years ago, when that policy was by none more warmly advocated than by yourself; but, in common with the people of Otago, I feel that New Zealand cannot become great by creating a centralized administration, and that the true interests of both islands, and of their respective subdivisions, is to cherish within each the greatest amount of self-reliance.

If you think that there can be no such local government as I advocate, without involving different Customs duties, you altogether misunderstand me. No doubt, were Otago an independent colony, its aim would be to make all its ports free. I for one, however, have no desire to see the province separate from the rest of the colony, unless it is absolutely driven to that course, as the only means of preserving its entity and of holding its own. All it requires, as I take it, is a fair field and no favour. It wants nothing for itself which it is not willing to concede to the other portions of the colony—namely, the management of its own local affairs and the disposal of its own revenue within its own borders, excepting so much as may be required for purely federal purposes.

The allusion to the border-duties question is not in point, in so far as I am concerned. Surely there may be an agreement as to Customs tariffs between separate colonies, such as has existed between different kingdoms.

You express your hope that as the proposed measures assume shape and form my objections will cease. You will excuse me for saying that I am at a loss to comprehend this. In your former letters, we were led to believe that all details had been arranged, and that nothing was required to secure such becoming law but the submitting them to Parliament. I pointed out that your proposals might not be sanctioned. From what you say, it appears that you have agreed to abolish the Constitution of the colony, and that what is to take its place has not yet assumed shape and form. I confess that this is to my mind somewhat perplexing. Can it be that the Colonial Government is now becoming aware of the difficulties which beset its path, and that what was sketched in your former letters may have to assume a shape and form unlike that which you then detailed?

You say that you cannot see any breach of faith to Otago in the proposal to repeal the salutary provisions of the Immigration and Public Works Act in reference to the liability of those provinces within which railways are constructed. If this be so, then I apprehend it will be no breach of faith next year to repeal any Act which may be passed this year to localize the Land Revenue. I fear that in placing faith in Acts of the Colonial Parliament, the people have been heretofore too confiding, and I, for one, am determined not again to err in that direction.

And now, in conclusion, let me say, that if, even by an ejaculatory remark, I have said anything distasteful, I trust you will forgive me, as my duty to this province has constrained me most reluctantly to continue this correspondence. I yet hope to see the Colonial Parliament granting to Otago that which she has a right to demand—namely, that the province shall be governed as its people desire. Should, however, this be denied, I am not singular in believing that the progress of the colony will receive a heavy blow and great discouragement, which will be most injurious. The uncertainty, even now, which exists as to what the next new scheme of the Central Government may be, is creating an uneasy feeling throughout the community, which, you need not be told, is highly detrimental to the progress of the colony.

I have &c.,

J. MACANDREW,

Superintendent of Otago.

The Hon. the Premier, Wellington.