

Victoria, Queensland, and South Australia for loans floated at about the same time.

4. That the Act of last session dealing with loan conversions and with the sinking funds has proved a great success, and is free from any suspicion of having adversely affected the credit of the colony. That, through conversions effected under its authority, we have already been able to pay off £71,000 of the debentures created the first year to represent the growing accretions of the sinking funds.

5. That the financial machinery of the Westport and Greymouth Harbours Acts has proved successful.

6. That the Government highly appreciate the services of the Loan Agents and of the Bank of England.

7. That the Customs revenue requires to be revised, because of the satisfactory facts that it has become affected by the diminished consumption of spirits and by the increased local production of dutiable articles.

8. That it be adjusted on the principle that, whilst the primary object is to serve fiscal purposes, and whilst we by no means commit ourselves to State protection, we should not be unmindful of the services the tariff may render to local production. In this connection I may mention that after I had settled the tariff I said to Mr. Seed, the Secretary to the department, of whose ability honourable members are well aware, "Describe to me briefly what you consider to be its character." Long as I have detained the Committee, I must ask leave to read Mr. Seed's reply:—

"The principles which have been kept in view, as far as practicable, in considering the proposed alterations in the Customs tariff have been,—

"That the various articles named therein should be clearly and explicitly described, so as to secure absolute uniformity in the levying of the duties at the several customhouses in the colony;

"That moderate and revenue-producing, and not prohibitory, duties shall be imposed on all articles which can be produced or manufactured in the colony;

"That raw materials used in manufactures, and special articles required for manufacturing purposes, which cannot at present be produced in the colony at moderate cost, should be exempted from duty;

"That all free goods should be specifically enumerated; and

"That unenumerated goods should be liable to *ad valorem* duty."

9. That the succession duties be increased, but still be kept less than they are charged in Great Britain, and that the present exemptions be retained.

10. That the stamp duties be increased in one particular, that of duties on conveyances, whilst precaution should be taken to guard the revenue from ingenious efforts to impair it.

11. That we cannot afford to part with population, and must recognize that the several classes of the community should help each other.

12. That road- and bridge-construction is essential to opening up the country, but that we cannot continue to throw the whole cost of it on borrowed money.

13. That the local bodies must manage their own affairs, and have a finance on which they can depend. That for this purpose the consolidated revenue shall be charged with a fixed subsidy for twenty-five years.

14. That to localize the direct taxation in the districts in which it is raised would not answer the conditions required to be met, as it would leave the least provided the bodies that most want help.

15. That the division should be made on a carefully-considered, self-adjusting scale.

16. That special assistance should be given to goldfields counties.

17. That manufactures are essential to the wealth of the country.

18. That we must attend to, and put to the best uses, the great resources the colony possesses in its forests and fisheries.

19. That we should introduce a moderate and gradual system of Civil Service classification.