H.—5.

the House to consider the whole question, with a view to the requisite legislation at as early a date

as possible.

Whether a Committee of the House, or a Royal Commission sitting during the recess, would be of most benefit, I cannot say. Personally I think it will be necessary for colonists to acquaint themselves more fully with the principle that any form of local government must be based upon area and population. Thus it was absolutely impossible for any State to be admitted into the Union of the United States of North America until it contained a certain area and a minimum population. The State would then be divided into so many counties; each county into so many town districts; each town district into so many road districts; each road district into so many wards, the ward being the unit of local government. It has been until quite lately the constant task of the central Legislature of the United States to throw back upon the people their own local legislation. Thus, if any Bridge, Drainage, or Road Bill is introduced into Congress, what happens? Congress refers it back to the State Legislature; the State Legislature refers it back to the County Council; the County Council refers it back to the Town District, which refers it to the Road Board, and the Road Board, if possible, to the private individuals directly interested,—unless, of course, the special matter happens to be of general importance, or to affect two road districts or two counties or two States, when the dual bodies must settle the question between them. In this manner the true spirit of local government and the independence of the people are preserved. The rule was in America, until quite lately, that the central authority should do nothing which the State could do for itself, the State nothing which the county could do for itself, and the county nothing which the township or Road Board could do. It was found that just in proportion as government receded from the people immediately interested it became liable to abuse. Therefore, whatever authority could be conveniently exercised in primary assemblies was placed there, for there it was certain to produce the best results. The American believes in Home Rule down to the smallest division, and has shown an admirable dislike of Centralisation.

Now let us see what happens in New Zealand. In consequence of removing the provincial barrier of local self-government in 1875 and setting up too many counties in its place, everything gravitates at once to the central Legislature. We have all been made to lean upon it, to depend upon it, and to look to it for everything; the consequence being that it has played ducks and drakes with our resources; in this instance the ducks and drakes meaning throwing millions of our money into the sea. And let it be understood that it is not the present Government I blame so much for this as all the Governments since 1869, when the borrowing policy was really commenced. On all sides Parliament sees open mouths asking for this, that, and the other. To meet these demands it readily plunges millions and millions into debt. I fancy the present Government is forced to take some such course as this, because there exists no proper barrier of local self-government to protect it from the local demands. It is no use saying that the Government is the chief sinner in leading the people, for the Government only represents the people. The leading financiers of the colony all say that another great loan must be ventured upon, and that the colony can stand further central taxation. If the people prefer to depend upon central administration and to have no local government there is no good setting up a Committee of the House to try and patch up our present wrecked Constitution. Whether any central set of Ministers will be sufficiently strong in physical health to meet the constant demands upon their time is very doubtful. They must eventually break down under the growing strain of central administration, and for their own protection erect the proper barriers of local government which alone can give them relief. Since 1875 in New Zealand, ever since the provinces were abolished, Ministers of the colony have been mere drudges and slaves.

I attach in Appendix E the copy of a letter written to one of the local papers in December, 1882, which points out subjects that required proper administration from a local point of view.

There can be little doubt that the central Legislature has plunged the colony most heavily into debt since 1882—practically ruined our finances and bankrupted the population. This could not possibly have happened under the provincial form of government. The provinces were swept away because they were £600,000 in debt, and some of them, like Auckland, objected to the central Legislature entering upon the maelstrom of debt which now encircles it.

My wish now is to see an amalgamation of the counties and a curtailment of the administrative power of the central Legislature. I should like the memorandum I had the honour of sending Sir John Hall in 1880 looked up, as I think I sketched or painted a plan for amalgamating the

North Island counties.

Seventy-six million acres of land in the colony, divided into twenty-five counties, would give about three million acres for each county area. I would ask delegates to agree amongst themselves how their respective counties could coalesce or amalgamate according to their local wants and their carrying and shipping dependencies. Their mountain-ranges and rivers, formerly a bar to extension of local authority, need not be considered now so much, where a railway pierces or bridges them. For all practical purposes they are bound together by a level iron road. Districts not served by railways must, however, still consider such barriers.

The population of the colony is now about 600,000 people, exclusive of the four chief towns of Auckland, Wellington, Christchurch, and Dunedin, which should be towns and counties in themselves. This number, divided by 25, gives 24,000 people: this to be the minimum population; and for the next half-century of time any seaport town growing into a large population to be created

a town and county of itself.

A properly-constituted county, to meet present requirements, should contain about 3,000,000 acres and 24,000 of a population, inclusive of the Maoris; or I will grant a 20,000-population minimum. The County of Westland, the old Province of Hawke's Bay, or the two Wairarapa Valley counties amalgamated are examples of my meaning. Upon such counties should be thrown the whole administration, by proper by-laws, of all local Acts,