B.—2.

our public works: quiet is needed for the consolidation of the social results without which a scheme of immigration and railways in any new country would be a failure: time and rest will co-operate in enabling us to satisfy those outside the Colony who are concerned as to its fate, that our confidence in the wisdom of the work we commenced in 1870 was justified, and that though its cost has been very great, its benefits have been commensurate.

Questions as to taxation can be better discussed, when Public Works system developed, and new institutions fairly tried, The Government, Sir, taking this view of the position, believe that the present is a time when the country should not be troubled with questions as to the incidence or the specific character of our taxation. Further taxation will not be necessary this year, if our proposals are accepted. Before long, when our new institutions are consolidated, and our railway system has been developed, we shall be able to face the question of new taxes, if any are needed, or to discuss calmly the principles on which taxation should be raised, and the manner in which such principles should be practically carried out.

I thank the Committee for the attention with which they have listened to me; and I trust that the questions with which I have dealt may receive that

early and careful consideration to which their importance entitles them.