

graph Stations, for the establishment of fresh Ports of Entry, and for the appointment of Resident Magistrates. The local charge of these Services operates as a useful incentive to moderation and economy. The Provinces now receive half of the revenue for the same purposes for which we propose to give a poll contribution. In fixing the amount, however, it must be borne in mind that, as the population increases, the amount the Provinces will receive will increase, but there will not be anything like a corresponding increase in the cost of the Provincial Services. We propose to give this year two pounds per head of population, and to diminish the amount annually by two shillings, until it falls to thirty shillings, at which sum we believe it will be found wise to leave it. There is no accurately ascertaining the population, but we believe it is about 250,000. Besides the two pounds per head, we propose to give, as I have already stated, £50,000 for what are strictly Provincial purposes—subsidies to Road Districts. The means of determining the population of the Provinces had better be discussed when we decide on the principle. We assume that, to start with, there are 250,000 Europeans. There is some difficulty in deciding what contribution should be made on account of the Maori population. It would not be fair to give a contribution on account of those Maoris who roam about the interior, and who are apt to cost more than they contribute to the revenue; but there are Maoris on whose account a contribution should as justly be made as on account of Europeans. We have thought over many plans for estimating these, but we can arrive at no better proposal than an arbitrary one of £3,000 each to Auckland and Hawke's Bay; £1,500 to Wellington; and £500 to Taranaki. The Maori population of Hawke's Bay undoubtedly contributes very considerably to the revenue. The County of Westland also requires to be exceptionally treated, on account of the large proportion of adults in the population. We propose that Westland shall be allowed an extra 5s. per head of population.

£2 per head this year, to be reduced 2s. a year, down to £1 10s.

Contribution for Maoris.

Special contribution to Westland.

The total will stand thus—

Population allowance	...	...	£500,000
Maori allowance	...	...	8,000
Special to Westland	...	...	3,375
Road Districts	...	...	50,000
£561,375			

I give an approximate statement of the way in which these proposals will affect the Provinces. I do not pretend they are absolutely correct. All I now say is, that they have been compiled with care, and that we propose they shall be adopted as the basis of distribution for the ensuing year.

PROVINCE.		Population.	Amount at £2 per head.	Proportion of £50,000 for Road Districts.	Special Allowance.	Allowance on account of Maoris.	Total.	Last Year's Receipts.	Gain.	Loss.	Effect of Capitation Payments.
			£	£	£	£	£	£	£	£	
AUCKLAND	...	62,000	124,000	12,400	...	3,000	139,400	131,000	8,400	...	
TARANAKI	...	4,800	9,600	960	...	500	11,060	4,460	6,600	...	
WELLINGTON	...	25,000	50,000	5,000	...	1,500	56,500	47,540	8,960	...	
HAWKE'S BAY	...	6,000	12,000	1,200	...	3,500	16,200	16,300	...	100	
NELSON	...	24,000	48,000	4,800	...	...	52,800	44,280	8,520	...	
MAIRBOROUGH	...	4,700	9,400	940	...	...	10,340	4,940	5,400	...	
CANTERBURY	...	40,000	80,000	8,000	...	...	88,000	62,680	25,320	...	
WESTLAND	...	13,500	27,000	2,700	3,375	...	33,075	46,800	...	13,725	
OTAGO AND SOUTHLAND	...	70,000	140,000	14,000	...	...	154,000	151,320	2,680	...	
TOTALS	...	250,000	500,000	50,000	3,375	8,000	561,375	509,320	65,880	13,825	

The half of the revenue last year was £509,000, so that the Provinces gain considerably, besides the inducement that is afforded to them to increase their population. It will in future be profitable for the Provinces to encourage matrimony to the extent of finding the gold ring, and perhaps in due time a cradle in addition. We propose, moreover, to set apart half the Stamp Duties, after the end of the year 1870-71, for Railway purposes. I shall be asked how the Colony can afford to be so liberal to the Provinces. Before going into details, I reply, in general terms, that the Colony will derive benefit as well as