

## ALLOWANCES TO THE PROVINCES.

Before leaving the question of the expenditure for the current year, honorable Members would no doubt desire that I should say a few words upon the provision for the Provinces. The amount of Capitation Allowance already mentioned, is £7,947 more than was paid last year. To this should be added £23,400, on account of the carriage of Inland Mails, the charge for which we propose to transfer from the Provinces to the Colony. There is another charge of which we propose to relieve the Provinces, namely, that for the salaries of Provincial Auditors, amounting to £1,950. It may be objected that it is hardly reasonable this should be done, inasmuch as the Auditors are essentially Provincial officers; but by adopting the course proposed there will be an end, so far as the Consolidated Revenue is concerned, of the system of Provincial Charges—except, of course, that the Provinces will remain liable for interest and sinking fund upon their loans, and for the various charges to which the other funds reverting to them are liable. The three sums I have mentioned amount to £33,297, and this is the sum which the Consolidated Revenue will pay to the Provinces and for the Provinces, in excess of what it paid last year. In regard to the extraordinary aid to the Provinces authorized last Session, honorable Members will recollect that it was proposed, as part of the Budget, that £100,000 should be appropriated for subsidies to Road Boards; but that, before a measure giving effect to that proposal could be passed, urgent representations were made by Superintendents, that the engagements they had entered into on account of the current year would seriously embarrass them, if some further aid than that of the Capitation Allowance were not granted. It was also suggested that £50,000 only should be appropriated for Road Boards, and that the other £50,000 of the £100,000 should be paid to the Provinces, on account of public works already authorized by Appropriation Ordinances. The House yielded to those representations, and the Provinces, therefore, in effect, received £50,000 as an extraordinary aid to their revenues; but that aid, it will be remembered, was granted solely because of the representations made, that engagements had been entered into which rendered necessary the receipt of at least £50,000. This year, similar representations cannot be made; indeed, from some of the Provincial Financial Statements which I have read, I observe that the Treasurers strongly impressed upon the Councils that they were not certain that even the Capitation Allowance this year would equal that appropriated last year. Certainly, I have not seen anywhere, statements to the effect that a repetition of the extraordinary aid given last year was anticipated. As I have pointed out, it is now proposed to increase considerably the Provincial Allowance out of the Consolidated Revenue; but it is not proposed to give more than £50,000 to the Road Boards this year, or to pay any sum to the Provinces as extraordinary aid. We propose that the £50,000 shall, as was the case last year, be a charge upon the Public Works Fund. Table I shows the contributions of the Colony to provincial revenues and purposes during the last five years, together with the proposed contributions for the present year.

Capitation Allowance.

Inland Mails.

Salaries of Provincial Auditors.

"Provincial Charges" (except on account of Loans) extinguished.

Contribution to Road Boards, £100,000 proposed last year;

But only £50,000 appropriated;

And £50,000 to Provinces as "Extraordinary Aid," on account of works engaged for. Table I.

This year Provincial Allowance increased; But no "Extraordinary Aid;" And £50,000 only to Road Boards.

## WAYS AND MEANS, 1872-73.

I will now submit to the Committee a statement of the estimated revenue for the year; and I will compare it with the estimate for last year, and with the actual receipts during the year. The several amounts have been set down with care, and under the belief that they will be realized:—

Estimated Revenue 1872-73.