

inebriates, and that incurable lunatics should be removed from Dunedin to the country; also, that provision should be made for the custody and reformation of criminal children apart from the Industrial School. Small votes were passed by you for these several objects.

Although nothing has yet been done in these directions, the Government has not lost sight of them. The difficulty has been the acquisition of a suitable locality within a short distance from Dunedin by rail, where a sufficient area of land might be had, so as to render the institutions self-supporting.

It has now been resolved to solicit your concurrence in reserving 900 acres, about 20 miles from Dunedin, on the Great Northern Line, with a view of locating both the Industrial and Reformatory Schools, as well as the Asylum for lunatic and inebriates.

This area of land would afford the means of healthy employment for the inmates of all these establishments, and go far to render all of them self-supporting.

In terms of the provision of the Ordinance of last session, a Harbour Board has been constituted for the Port of Dunedin, to which body, in accordance with what was understood to be your desire, have been delegated all the powers and functions held by me in respect of Dunedin Harbour. The Government has likewise granted to the Board the use of all the property connected with the Harbour Department, pending your decision as to whether the province is to make a charge for the same, or whether it is to be handed over free.

It will be necessary to amend the Harbor Board Ordinance so as to afford the Board greater facility than it now possesses towards the speedy and successful carrying out of the work, with the accomplishment of which it has been charged.

Gentlemen,—In conclusion there is one subject which so vitally concerns the future welfare of this Province, to which if I, as an integral part of this Legislature, did not on the present occasion advert, I should fail in my duty to the people with whose interests I am specially charged—I refer to the contemplated constitutional changes.

It is proposed, as you are aware, forthwith to abolish the North Island Provinces, on the plea that they can no longer perform the functions assigned to them by the Constitution Act, that is to say that they are unable, without the aid of the Colony, to provide for the maintenance of peace, order, and good government within their borders.

Gentlemen,—If this be so—which I deny—the cause is not far to seek. The present condition of the Provinces might be very aptly illustrated by comparing them to a man who has been bound hand and foot by one stronger than himself and then told that, because he cannot walk, he is a cumberer of the ground. Of one thing I am certain, and that is that there can be no partial abolition, but that, so long as New Zealand is one Colony, the Provinces, both North and South, must stand or fall together, unless in so far as they may mutually agree to a voluntary fusion as in the case of Otago and Southland. It is useless to disguise from ourselves the fact, that abolition of the Provinces implies that the whole revenue of the Colony is to be appropriated by the Colonial Legislature, and that Canterbury and Otago, which now contribute the lion's share of the consolidated revenue, are to be called upon to supply still more.

It implies that the resources which will be derived from our railways—railways, the whole of which are being constructed at the cost of the Province—shall become Colonial revenue, to be appropriated by the General Assembly. It will not be long before this item figures very largely in the annual balance-sheet.

It implies, moreover, that the administration of the Waste Lands and the settlement of the country will be under the control of a power much less directly responsible to and under the eye of the people than at present. Although no doubt this might suit the interests of some, it is doubtful whether, in this Province at least, it would be conducive to the public interest. In the course of two or three years, the existing leases of extensive areas of country, now held as grazing runs, will begin to terminate. If properly dealt with these runs will yield a considerable permanent revenue, which will be increasing annually for the next ten years, and which will go far towards keeping down taxation; they will also carry a large agricultural and pastoral population. It therefore becomes us to guard most watchfully against an organic change in the Constitution, which I am persuaded will prove to be as the letting in of water as respects the future disposition of the Provincial estate.

No doubt we are told, and that sincerely, that the Compact of 1856 is to become as the laws of the Medes and Persians. I confess, however, that I have no such faith in a Legislature composed of such conflicting elements as that of New Zealand.

I regard it as the sheerest infatuation on the part of the people in Otago to countenance a Constitutional change, the advantages of which (granting that there are any), will be as the small dust in the balance compared with the risk—or rather, I should say, with the certain loss which cannot fail to result. The same remark will apply in a somewhat less degree perhaps to our neighbours of Canterbury.

Why should the people of Otago submit to their resources being still further swallowed up in the maelstrom of Colonial finance? Why should they quietly take it for granted that they must needs be the victims of the inevitable, when, if they would only pull together and rise superior to local jealousies, they have the destinies of the Province in their own hands?

It is humiliating to reflect that, while this Province has been materially the backbone of the Colony, contributing as it does about one-third of the Consolidated Revenue; it has been, politically, a rope of sand, allowing itself to be kept in leading-strings by a political system which has had little knowledge of and less sympathy with its interests and requirements—a political system the relationship with which has been to repress the progress of the Province and to swallow up its resources.

Gentlemen,—There can be no doubt that a radical change is required in the political frame-work of the Colony as it now exists, and if this change would only take the right direction, happy would it be for all concerned.

It was a disastrous day for New Zealand when the policy which dictated the "New Provinces Act, 1858," presided over its destinies, and I am persuaded even now, difficult although it may appear to be, that the wisest thing that could be done would be to fall back upon the Constitution and allow the respective Provinces to rely upon themselves; limit the central Government to purely federal action; let each Province have the uncontrolled disposal of its public revenue, from whatever source derived, contributing its share pro rata towards the maintenance of the central power, and towards payment of the debt for which the Colony as a whole is now liable.

Were this policy adopted, the Provinces in each island would gradually and spontaneously merge into each other, and the apparently irreconcilable idea of a great and united Colony, and at the same time practical financial separation between the two islands, would be realised.

We should moreover be relieved to a large extent of that enormous departmental expenditure which is yearly assuming more and more gigantic proportions, and swallowing up resources which might be more beneficially applied,—expenditure which in a great measure is at present practically beyond the control of the representatives of the people.

It may be said that these views are now impracticable, and that it is too late to entertain them. I venture to think, however, that nothing is either too late or impracticable if the people will it.

It should not be lost sight of that most of the absolutely necessary and primary functions of Government are now being carried on by the Provinces.

Surely it is only reasonable that before committing political suicide, and relinquishing the powers which they now possess by means of the existing Provincial organizations, the people of the Colony should know into whose hands those functions are to be hereafter entrusted.

If they are to devolve upon the Central Government, all experience goes to prove that they will neither be better nor more economically performed than at present.

If they be entrusted to Road Boards, not only will the cost of administration be enormously increased, but it will end in confusion worse confounded.

You may depend upon it that the real question with which the colony ought to grapple is not abolition of provinces, but the question of finance—a more equitable appropriation of the public revenue among those by whom it is contributed—the reduction of the cost of administration without impairing its efficiency. I am well assured that under the peculiar circumstances of New Zealand Colonial administration will give us neither.

The great problem which we in the South have to solve is how best to hold our own, which we certainly shall not do by renouncing the local self-government which we now possess. From first to last the Central Government has abstracted from Otago alone, two millions of money, not one farthing of which has been expended within the province, and it is because the abolition of the North Island provinces, must, in my opinion, stereotype the continuance of, and render worse this state of things, that I express myself so strongly upon this subject.

No doubt I shall be jibed with the "Great-is-the-Diana-of-the-Ephesians" argument, by those who cannot conceive it possible for men to be prompted by principles of political action different from their own.

I can assure you, however, that were this the last day of my official existence, the opinions now expressed are those which would be honestly held by me.

Gentlemen,—Hoping that your deliberations will conduce towards the best interests of the province, I now declare this Council open for the despatch of business.

J. MACANDREW,
Superintendent of Otago.

GENERAL NEWS.

On the occasion of the promulgation of the constitution, the President of the Republic of Hayti requested the Archbishop to cause a *Te Deum* to be sung in the cathedral. His Grace complied and a ceremony of great magnificence was the result, at which the President, Secretaries of State and other officials were present.

The Roman papers deny that Prince Torlonia has written to or visited Garibaldi, and also declare that he has not received any communication from him. We are glad to be able to record this denial, for the Prince was always among the most staunch adherents of the Holy See, and his desertion would be exceedingly painful to the Pope.

In many of the principal Protestant churches of Germany, public prayers are offered up for the "persecuted bishops and priests of the Roman Catholic Church." The Bishop of Munster, noting this fact, earnestly entreats our prayers for our charitable but separated brethren, who are likewise persecuted at present in the German Empire, and share with us many tribulations. We trust that their good will towards us may be the means of securing for them the grace of conversion to the faith.

A gentleman of very high rank has just entered the Carthusian order, at the Grande Chartreuse. This person is the Marquis Vivien de Varaville, who belongs to a family which distinguished itself in the conquest of England, at the battle of Hastings.

It seems that the law lately issued by the municipality of Genoa, against religious instruction in the public schools, has met with such decided opposition that the military had to be called out to put a stop to the tumult occasioned by the parents of the children who went in crowds to protest against the iniquitous law. The municipal officers who voted it have given in their resignation, and it is believed that things will soon be restored to their former condition.