

have their *all* entrusted in the promises which we have given them. It is not therefore to be considered, that our stocks may sell at a sacrifice. Such is the condition of the individual when his debts are bearing on him. It is too late then to estimate the sacrifice. If the government will not suffer the citizen to postpone the payment of his debts, is the government to perpetrate the wrong it prohibits to the citizen?

The committee are of opinion, that the present is not a time, when the policy of making sale of the bank stocks can be consulted. The policy of strict honesty is the same at all times—imperative, absolute, immutable.

When a debt is due, and the debtor has the means to pay, there is but one rule for individuals and for governments—payment, full payment by him who owes, to him who holds the obligation.

The demands now awaiting the resumption of payments by the Treasury, may be satisfied out of the first instalment of the direct tax, falling due on this day, and by the sales of Bank Stock. Believing it to be good policy, and strict justice, that such a measure should be adopted, the committee have authorised a resolution to be reported, directing the Treasurer to sell the Bank Stock as the public exigency requires, or to make transfers to the public creditors if they prefer it.

If the revenue bills reported by the committee should fail to receive the sanction of the Legislature, the taxes must be raised to a large amount on the narrow basis now established. Else the honor of the Republic is gone. When that result occurs, the strength of private obligations will have begun to totter. The morality that will teach men to sanction fraud collectively, will blind them to the claims of individual, private, personal engagements. It is a nice discrimination, that can distinguish between justice that is sacred for an individual and that which is not equally sacred and binding for a nation. Force is the swift pursuer of fraud. It does not require the exercise of deep forecast to perceive dangers to the harmony and peace of society, too serious to be disregarded, too solemn to be incurred, in the disavowal of State obligations. The committee do not perceive any real distinction in principle, between the disregard of a part, and the disavowal of the whole. And whilst it should be regarded as the representative duty of some to oppose any increase of taxation on the present basis, the evil consequences of a failure, in some form to provide the necessary means for an immediate and continued payment of the public demands, is fully perceived and appreciated by all.

The committee feel bound to respond to some of the objections urged against the income tax, as it is a measure of great moment to the State. By some it has been denominated a tax upon labour. This objection cannot obtain, when we consider the point at which the tax begins. It may not be here amiss to remark, that the modern writers on political economy concur in the opinion, that it is the most fair and equal tax which can be laid. In this region