B.-2. 12

desire to call the especial attention of the Committee, as showing the reductions which have been effected, and the directions in which the Government think further reductions are possible and should be made.

It will perhaps astonish honorable members to hear that we are now paying over £1,000,000 a year in salaries, pay, and wages, and £18,700 for pensions: this includes our railway employés and our ordinary complement of constabulary Of this sum, £643,000 is for salaries, pay, and wages of £200 a year and under. The Government, Sir, as must be evident to every one, have had no time to grapple with this enormous expenditure during the short recess just terminated; but they have made reductions, wherever it was possible to do so without detrimentally affecting the machinery of Government. given the subject as careful consideration as the time at our disposal would permit; but, as I have often before pointed out, effective and permanent reductions, as distinguished from spasmodic efforts at economy, must be the work of Sir, the Government are of opinion that it will take the whole of next recess to deal with this matter as it must be dealt with. To assist us in the accomplishment of this object a Royal Commission has been appointed to inquire into and report upon the whole organization of the Civil Service. Its labours will, I feel sure, be of great value to the House and Government in dealing comprehensively with this difficult subject.

But, Sir, although time was necessary to deal with this subject comprehensively, and we had so little time at our disposal, we felt this could be no excuse for not Besides several minor reductions, my honorable at once making a beginning. friend the Minister for Public Works has reduced the expenditure of his department by £36,000, without impairing in any way its efficiency. The Native Minister has succeeded in reducing the expenses of his department from £46,944, which was last year's estimate, to £14,262 this year, or, after allowing for transfers to other departments, to nearly 50 per cent. Salaries and contingencies were last vear £21,164; this year they are estimated at £13,453. all; for in the Land Purchase Department, which had grown into a serious excrescence on the Native Office, he has reduced the salaries from £10,000 to £6,000 a year, or about 40 per cent., and in both cases I venture to assert the service is being better performed than formerly. From this, honorable members will see that the honorable gentleman has more than fulfilled his promises of reduction made to this Committee last year. My honorable friend will, no doubt, explain what he has done more fully when the Native Estimates are under discussion.

I have said, Sir, that we are paying over £1,000,000 yearly for salaries, pay, and wages, and this is upon Estimates which have been apparently reduced to the lowest possible amount. The Government have had under consideration the question of the reduction of the salaries of Ministers. They do not think Ministers are over-paid, and they are not prepared at present to recommend a reduction in their salaries. That question will be carefully considered during the recess; but, looking to the financial position of the colony, and the necessity for reduction, which must be made in some form, we propose that 20 per cent. shall be deducted from their salaries for the current year, beginning on the 1st July next.

So far, Sir, a reduction is simple enough, but how to deal with the Service generally is a far more difficult question, as gross and cruel injustice may be easily done to many deserving officers if large reductions are indiscriminately insisted upon, and the efficiency of the Public Service may be seriously impaired. We have among our Civil Servants not only a large number of willing and efficient officers, but we have men who would be a credit to any Service; and while some of our departments urgently require reform or remodelling, or even abolishing, by consolidation with others, some, I am sure, could hardly be touched without being injured. And, again, while some officers are no doubt over-paid, others, considering the value of their services, and the difficulty of filling their places, deserve more than they get. We can, therefore, lay down no inflexible rule for retrenchment. But, Sir, an effort must be made in the interests of economy at once. We shall, therefore, propose to the House, notwithstanding the fact that the