

ductions, which I desire at once to gratify. In the year 1873, the salaries of Ministers were raised from the sum of £1,000 per annum each to £1,750 for the Premier, and £1,250 each for other Ministers. We shall propose a revision of the Civil List, and we shall ask the House to fix the Premier's salary at £1,000, and the salary of each of the other Ministers at the same amount. We propose to sell—not privately—one of the steam-vessels now the property of the Government. The Public Accounts Committee report on the advisability of selling the "Hinemoa;" but, before determining which boat to dispose of, we shall be guided by careful and sound advice from officers practically qualified to give it.

In dealing with the Civil List it will be our object to maintain the efficiency of the Public Service, and not to cut down salaries of necessary officers, but to consolidate offices as much as possible. In this direction we have reason for believing that much can be done towards effecting a very large saving in the annual expenditure of the Colony.

RAILWAY MANAGEMENT.

We look forward to an early Report from the Committee appointed at the beginning of this Session to inquire into Railway Management, from which we expect to obtain much valuable information for our future guidance in the conduct of the most important of the public works of the Colony. In whatever direction the Report may point, we shall be prepared to give it most serious consideration, and to inform the House of the result of our deliberations. A Commission appointed during the recess to inquire into the management of the Auckland lines reported very strongly in favour of leasing them. If the recommendations of the Commission referred to are supported by the Report of the Committee, we shall not hesitate, either in regard to the Auckland lines or any other of our railways, to ask this House to favourably consider them, with a view of effecting a saving in the colonial expenditure, as we believe there is room for considerable reduction in the cost to the Colony of its present system of Railway management.

PROVISION FOR RECONSTRUCTION OF LINES.

While dealing with the question of our Railways, I am compelled to call the attention of the House to a matter of the most serious importance. We have been accustomed to hear for the last two or three years of revenue derived from Railways, but that revenue was simply the balance of profit after deducting the cost of ordinary maintenance and working expenses from the gross receipts. The necessity of providing for the renewal of the various lines—a point in respect of which the fullest and most careful provision has always been made in the great railway system of the mother-country—has in our case been entirely overlooked. It is impossible to over-estimate the serious significance which this absolute necessity will have on our future finance. With our system of light narrow-gauge railways, the question of renewal is much more important than it is at Home. At this late period of the Session we cannot propose to deal with the matter, but it will form a leading feature in our Public Works policy of next year.

PROPOSED NEW LOAN.

Sir, I desire, before I conclude, to say a few words upon the views of the Government as to the extent of the further borrowing powers to which we shall have to ask the Committee to assent. It has not been easy, in the midst of