

create an aristocracy of Government officials, and is an inducement to young men in mercantile offices—*having influence*—to enter the Government service. Were the hours the same as those of mercantile houses, and were the men better looked after—each clerk having a certain task allotted to him each day, which he should be compelled to complete ere he left the office—the work of the country would not be performed in the very unsatisfactory manner in which it is at present.” These letters are only samples of many received expressing similar views.

CONCLUSION.

We are quite prepared for the accusation that all our recommendations as to the treatment of Civil servants are of an illiberal character; but we address your Excellency under a painful sense that the financial condition of the colony is such that any pretence at liberality would be unjustifiable. It is only by very uncommon exertion and heroic sacrifices that the small number of taxpayers in New Zealand can hope to honestly meet their engagements and bear the excessive burdens which the last ten years of borrowing and reckless spending have brought upon them. With the most evident desire to cut down expenditure and to avail himself of every source of revenue that is open to him, we regret to see that the Colonial Treasurer has been unable to anticipate that he can meet the liabilities of the current financial year without some resort to that ever-tempting resource of meeting deficiencies by loans. If such is his position whilst large sums of borrowed money are still being expended, it must be evident that nothing but the most severe economy, and the sternest refusal to be generous without being just, can ever restore this colony to a sound financial position.

The number of adult European males in the colony is only 136,915. From these we have to deduct 659 who are in prison, 694 in lunatic asylums, 1,638 sick and infirm, 3,423 above sixty years of age, leaving only 130,501 to bear all the burdens of the colony. When, in addition to all the ordinary expenses of their own Government, it is borne in mind that this small number of producers will have in future to send annually to our foreign creditors no less than £1,535,000, or £11 15s. 1d. each—or 4s. 6d. per head per week—it becomes only too evident that economy will in future be severely forced on the Government of this colony, and that we are in no position to be liberal either with the number or with the salaries of our Civil servants. How far this full liability will fall oppressively on our population depends upon how much our railways can be made to contribute towards interest on the outlay incurred in their construction; but the fact of so small a population being really liable for such large sums appears to us to make it imperative on the Government to adopt at once that economy in the Civil Service from which the seductions of borrowed money have led us so far away.

In 1874, when our gold fields were pouring in their long hidden treasure, the land sales were swelling our revenues, and the natural blaze of prosperity was fanned by the expenditure of borrowed money, Sir Julius Vogel proposed, that our Civil servants should participate in the general prosperity of the time—a proposal in which he was supported with alacrity by the Legislature, and a large special vote was granted for that purpose. It will be far less pleasant to ask them to share in the depression of the present period; but no reasonable body of men in such circumstances could expect that they and they alone in the community should stand unaffected by circumstances that have greatly lessened the productive power of the whole population. With all the reductions we advise, our Civil servants would still command more of the luxuries of life and enjoy shorter hours of labour than the average taxpayer.

In a country where all the necessaries of life are so very cheap as they are here at present, reduction of salary fortunately does not mean actual privation, but rather an absence of style in living which is little felt by any, when all descend together. Even in the interests of the Civil servants themselves it is far more desirable that some substantial reduction should now be made at the dictate of prudence, than that an expenditure beyond the natural capacity of the community to sustain should be continued until the demands of necessity have

Economy
necessary.

Large burdens
on small
population.

Civil servants'
salaries rose in
prosperity: must
fall in adversity.

Better done now
than in a panic.