

were issued at the higher rate of 5 per cent., the creation of a sinking fund being for a time postponed. The present Government has continued the issue of short-dated debentures until a fitting time arrives for their redemption by the issue of a 4-per-cent. or $3\frac{1}{2}$ -per-cent. loan, when it is proposed to ask Parliament to make provision for the sinking fund prescribed by the Act.

CONSOLIDATED FUND.

EXPENDITURE (ORDINARY REVENUE ACCOUNT) FOR THE YEAR 1890-91.

*Estimated
Expenditure
1890-91.*

Table No. 9.

Ordinary
Revenue
Account,
£4,127,417.

Salaries
increased in few
cases, except
underpaid Post
and Telegraph
officials.

I now come, Mr. Hamlin, to the consideration of the expenditure and revenue for the current year. The estimated ordinary expenditure is £4,127,417, full particulars of which will be found in the estimates, which will be in the hands of honourable members this evening. With the exception of the Postal and Telegraph Department, salaries have been increased in very few cases, of which explanations will be given by Ministers when the estimates are considered in Committee. The aggregate increase which has taken place in the Post and Telegraph Department amounts to £5,271. The Government have thought it desirable to classify the Post and Telegraph officials under a system which it is proposed to apply to the whole service, should the Civil Service Bill pass, which the Government will introduce shortly. The increase caused by the classification of the Post and Telegraph officials amounts, as I have just said, to £5,271 for the current year; and before the several classes have obtained their maximum salary the total increase will be £19,569. This will take between five or six years to accomplish. That the maximum amount, however, will be reached by the time named rests of course on the assumption that no vacancies will occur either through death, resignation, or otherwise. But this is not at all likely to be the case, and it may be anticipated that the total increase will be considerably less than the sum named. This department, considering the responsibility devolving upon its officers, has, as honourable members know, been for a long time underpaid in all its branches. The total proposed increase for the year in salaries is £5,271, of which £4,471 goes to officers whose salary is £200 a year or under.

In most classes
no increase over
estimates,
1889-90.

In most of the classes of expenditure little or no increase has been made over the estimates of last year. I shall briefly explain the chief items of increase in the remaining classes. In Education there is an increase of £6,000. This is less than the amount which the annual increase of scholars for capitation would give. In the Native Department the increase of £4,400 is entirely owing to the appointment of additional Judges in the Land Court, and expenses of the Commission under the Act of last session. In Working Railways there is additional expenditure proposed of £18,000. This arises from additional mileage opened for traffic, and the increased cost of iron. In public buildings there is an increase of £27,400, mainly for school-buildings and a building for deaf-mutes. In Defence there is a small increase; but the Government are of opinion that the provision made is not sufficient for such a force as our defence works require, and it is the intention of my colleague the Defence Minister to bring the matter before the House, and, if his proposals are approved, further provision will have to be made. In connection with this matter is the question of our contribution under the Imperial Act. It is possible that a payment may during the year have to be made on this account; but, as it is uncertain, I do not propose to ask a vote. The amount can only be small this year, and if anything has to be paid I propose to make the payment out of "Unauthorised." Members will observe that there is a large reduction in the Postal and Telegraph Department. This arises from no provision being made for the San Francisco mail service after the expiration of the present contract, and from other items, full explanation of which will be given by the Postmaster-General when the estimates come before the Committee. I much regret that the San Francisco service is likely to fall through for a time, as the New South Wales Government have positively refused to join in the subsidy, and I fear that there is small hope of the Imperial Government agreeing to pay for the conveyance of the mails to and from London