

There is also an increase in the Lunacy and Charitable Aid Department, caused by the opening of a new lunatic asylum at Porirua, and additional numbers of patients requiring larger supervision. The Agricultural Department, which was last year under the heading of Minister of Lands, shows an increase of £8,000. This is the first time a vote has been placed on the Estimates for the organization of this department. The increase is mainly due, however, to proposed expenditure which was last year provided in the Vote for the Lands and Survey Department, and from unexpended items of the Live-stock Department, which are again proposed for appropriation. Later on I shall have some further remarks to make on the objects and scope of the Agricultural Department. The Working Railways Department shows an increase of £9,814, arising from extended traffic, affording an estimated increase of revenue to the amount of £18,000. I shall refer again to this subject further on.

Proposed expenditure carefully supervised.

The proposed expenditure generally has been carefully supervised, and only those increases are recommended which the Government believe are justly merited by faithful and valuable services on the part of the officers concerned.

Capitation to the Education Department fixed by Act.

In consequence of the capitation being fixed by Act the Government have no control over the bulk of the expenditure in the Education Department, and can only place before you a careful estimate of the amount required. But it will be some compensation to know that for every pound spent in this direction value is received, and a larger number of children receiving instruction in the State schools.

Lunacy and charitable aid.

It is a subject, of course, for regret that we should have to propose a larger sum of money for lunacy and charitable aid, but I feel sure the administration of this department will bear the strictest scrutiny, both in regard to economy and efficiency.

Post and Telegraph Service subject to Classification Act.

The Post and Telegraph Service is now subject to a Classification Act. The classification of officers is virtually complete, and the salaries have been fixed according to rank in the Service. The increase, considering the work performed, is not unduly large, and is not more than officers are fairly entitled to receive. The work is growing, and the revenue is rising in proportion.

The question of cable communication with Australia has received attention on the part of the department, and the Postmaster-General will take an early opportunity of bringing the subject before Parliament.

Table No. 8. Decreases in certain departments.

On the other side there are several decreases—notably in the Colonial Secretary's Department of £14,634, arising principally from the census work being nearly completed. The Treasury also shows a decrease of £4,450, some special items voted last year being no longer required. A saving of £4,841 has been effected in the Defence Department, arising from the completion of orders for ordnance and other warlike stores. Some further small decreases make up the total to £29,593, and eliminating the absolutely necessary increases of the Education and Working Railways Departments we have a net decrease of departmental expenditure amounting to £8,051.

Economy and efficiency first consideration.

On the whole the interests of the colony have been fully considered in the various departments, and in all cases economy combined with efficiency has been the first consideration.

Sinking fund for "Government Loans to Local Bodies Act, 1886," to be placed in Public Trust Office.

I ought to add that I was unable last year to provide for a sinking fund in respect of "The Government Loans to Local Bodies Act, 1886," in consequence of the absence of statutory power to enable me to set aside the moneys I had intended for the purpose. I propose, however, this year to take power by Act for an appropriation of sinking fund, and for placing the moneys in the Public Trust Office, with a view to provide for the extinction of the debt as the terms expire when the local authorities from time to time cease to pay interest.

Tables Nos. 7 and 8.

Estimated expenditure, £134,162.

LAND FUND ACCOUNT, 1892-93.

The estimated expenditure on this account for the year is £134,162. Compared with the actual expenditure of last year of £120,032, there is an increase of £2,125 in the first item, representing increased payment of "thirds" to local bodies. The main increase, however,—£14,523—is in the Survey Department, the total amount this year being estimated at £109,162. This increase has after much consideration been arrived at from the necessity of providing for the work of