

person leaving the Service wishes to withdraw, he may claim the surrender value of his policy, which, after some years' service, will be very large as compared with his accumulated deductions. The proposal I have here submitted affords fair prospects to every young man or woman entering the Service, and, to those who have not advanced beyond middle age, sufficient inducement to prefer the system of providing for old age and accident to any other at present available. To the general public the attraction may become great enough to induce a fair proportion to participate in its advantages.

The Civil Service Bill, together with illustrative tables, will be brought down without delay. Civil Service Bill.

CLASSIFICATION.

A system of classification of the Service has been embodied in the same measure. The time has arrived when the promotion and the classification of officers should be reduced to some sort of order intelligible to Parliament as well as to the public. It is not intended that any permanent additional burden should be placed on the country: on the contrary, we believe a sound system of classification, stimulating to exertion by inspiring the hope of reward, and giving to merit its just deserts, will promote economy and efficiency at the same time. A youth entering the Service will get yearly increments until he rises to the top of the Third Division, receiving then £180, when his salary will stop until he is promoted as being qualified for a higher position. But, of course, any one of exceptional merit may be sooner promoted from any of the classes. By Order in Council, any of the public services, including railway employees, police, and school-teachers, may be included in the Civil Service and partake of its advantages. System of classification embodied in Civil Service Bill.

PUBLIC TRUST OFFICE.

The legislation by which during last session the administration of properties placed in the Public Trust Office was facilitated, and the integrity guaranteed by the colony of the capital funds, which, arising from these properties, can be invested at option, has powerfully attracted the attention of all classes of the people to the importance of the institution, and has raised it in the public estimation. This legislation will, it is confidently anticipated, bear large fruit in the future. Importance of Public Trust Office.

I shall ask the Committee this year for a sum of £1,717 to make good a deficiency of capital arising from the realisation of securities for past investments. It is possible a further deficiency of £3,200 will result from the realisation of securities yet unsold; but no demand on account of these will be made until realisation takes place, and the actual amount required is shown. £1,717 required to make good deficiencies arising out of past investments.

The business of the year exhibits a considerable increase over that of the previous year. There were on the 31st March last 3,185 properties or estates under administration, of a total value of £1,461,163, as compared with 2,916 on the 31st December, 1891, of a total value of £1,436,027, and 2,491 on the 31st December, 1890, of a total value of £1,393,413. Business of the year.

GOVERNMENT INSURANCE DEPARTMENT.

The Government Insurance Department continues to make satisfactory progress, and shows an increase in the new business for the year, while there is at the same time a diminution in the ratio of expenses, and a marked decrease in the number and amount of the lapsed policies. Government Insurance Department continues to make satisfactory progress.

The amount of new business reached in round numbers was £700,000. The income for the year was £330,895, being an increase of £17,470 over the previous year. The accumulated fund has increased during the year by £132,603, and by December next will probably exceed two millions sterling. Amount of new business.

The valuation for the five years ending with 1890 was duly made by Messrs. Bailey, Hardy, and King, Consulting Actuaries to the department in London, to whom the data were despatched in March, 1891. The results of their investigation were cabled from London at the end of October last, and disclosed a surplus of £239,475. This result is all the more gratifying inasmuch as the valuation was more severe than on any previous occasion, the computations Result of quinquennial investigation, December, 1890.