

by the railway employees through the operation of the Act which provides for their superannuation. At the same time, it is wise that the country should know when it enters upon these schemes what responsibilities they entail, and Parliament should make provision that the charges which must ultimately come upon the taxpayer should be known, in order that the taxpayer of the day should shoulder his fair share of the burden and not leave the whole liability to posterity. With this end in view, the Government intends to have an actuarial examination of the Railway Superannuation Fund made, thus bringing it into line in this respect with the Public Service and Teachers' Superannuation schemes.

LEGISLATIVE COUNCIL REFORM.

The Legislative Council Act of 1891 provided that thereafter appointments, which under the Constitution Act had been for life, should be for a term of seven years. Of the members appointed for life before 1891, only seven now have seats, and there are thirty-two members appointed for fixed terms. The principal objection to the basis established by the Constitution Act was that members holding life appointments were not sufficiently impressed with the importance of political changes desired by the constituencies and advocated by members elected to the House. Whatever may have been the force of that objection, the method adopted in 1891 has proved to be even more unsatisfactory in its results. After a trial of twenty-one years that method stands condemned.

The alternative which the country now demands is the direct election of the second chamber by the vote of the people, and to effect that change a Bill has been prepared, which will be introduced in the Council during the present week.

That Bill creates two constituencies—the North Island and the South Island, the latter including Stewart Island. The total number of Councillors to be ultimately elected is fixed at forty—twenty from each Island. The elections will be held on the same day as those for the House of Representatives, and at the same polling-booths, separate Returning Officers being employed as in the case of the licensing polls. Every elector entitled to vote in an election for the House of Representatives will be entitled to vote in the election of Legislative Councillors, each elector voting for the latter purpose in the same electoral district in which he is entitled to vote for the election of the House. The electoral rolls for the House in each Island will thus constitute in the aggregate the electoral roll for the election of Legislative Councillors in that Island. The election of Legislative Councillors will be held under the proportional system. Each elected Councillor will hold his seat for the term of two Parliaments of the House of Representatives, one-half of the total number retiring at each election. At the first election held under this system ten members only from each Island will be elected, and at the second election a further number of ten from each Island; and the twenty elected at the first election will retire at the third or next election, and so on. Provision will be made for the filling of casual vacancies. The qualification for election to the Council will be exactly the same as that for election to the House.

The present nominated members will continue to hold their seats until the expiration of the respective terms of their existing appointments. The continuance to this extent of the nominative system is necessary; but during the period which must thereby elapse before the expiration of the terms of members appointed by the Governor it is believed that the effective force derived from direct representation will have great influence on the deliberations of the Council.

Due provision will be made for preserving the full exclusive privileges of the House of Representatives in all matters involving finance.

It is impossible here to further summarize the details of the measure, which will shortly be in the hands of honourable members. With regard to the area of the electorates, the Government has a precedent in the elections to the Senate of the Commonwealth of Australia, in which each State forms an electorate; and with respect to election by proportional voting we have precedents in Tasmania and South Africa. The practical application of the system of proportional representation to electorates returning twenty members presents certain difficulties, the chief