13 E.—3.

It has been stated by my honorable colleague the Colonial Treasurer, in his Financial Statement, that the Government consider the railway scheme as adopted by Parliament embraces the main trunk line from Kaipara, in the North, to Auckland, thence by Mercer to Newcastle, and southwards to Wellington, the railways from Napier and Taranaki joining the trunk line at such points as on survey hereafter may be found to be the best.

Then from Nelson to Hokitika, the main trunk line running through the Valleys of the Buller and Grey and into the Amuri by the best routes procurable, and passing South through Canterbury and Otago to the Bluff, together with the line from Invercargill to Kingston, the line to Port Chalmers in Otago, and that

from Christchurch to Lyttelton in Canterbury.

The only railway which I think it right now to call attention to is the connecting link with Blenheim. It has transpired during the survey of the Foxhill and Brunnerton Railway that a very easy line to construct can be got from a point about fifty miles from Nelson, on that railway down the Wairau Valley to Blenheim, which is in course of being connected with Picton.

I shall now, Sir, state what the Government propose with reference to the expenditure during this year on roads in the North Island. First, as I have already stated, we propose to convert the Manawatu Tramway into a railway, and to repay to the North Island Road Fund the amount which has been spent on its construction, £29,500. We further propose asking for an additional grant of £60,000, with a view of completing several of the roads now in hand, and some others which are considered necessary. This amount will enable the Government to meet all the liabilities which have been incurred up to the present time in connection with the North Island roads, and provide sufficient funds to construct all they now have in view.

The following are the principal roads on which it is proposed to expend this money: First, to complete and metal the road through from Opaki to the Manawatu Gorge; to form the road through from Tauranga to Cambridge, and from Taupo to Cambridge; and in the North of Auckland, the Victoria Valley Road, and that joining Hokianga with the East Coast, together with several

others of minor importance.

It is proposed to make a similar contribution to the Middle Island; and the only road to be constructed out of it which the Government stipulate for is that between Hokitika and Canterbury. The cost of this road to be provided out of the share of the money falling to Canterbury and Westland. The remainder is, however, to be spent under the control of the department on whatever roads or railways may be approved of by the respective Governments.

The Colonial Treasurer has already informed the House that the Government have promised to ask Parliament to raise £50,000, to be spent on the Thames Gold Fields, taking direct security over the machinery and mines benefited by the expenditure. The security of the province, through which the money is advanced, is also to be taken.

This assistance, it is hoped, will be the means of enabling such of the mines as have almost been brought to a standstill, to be worked to a very much greater depth than has hitherto been done. If this hope is realized, it will be the means of providing a large amount of work on the Thames Gold Fields.

It would have been quite within the power of the Government to have devoted a portion of the £300,000 already voted for drainage and water supply on the gold fields for this purpose, but the whole was found to be wanted for the works already in hand.

I have endeavoured, Sir, as far as was possible, to fulfil the pledges given by the Government last year with regard to the extensions of the railways; the supply of labour was not sufficient to enable us to make the progress we anticipated, as it was thought better to wait than to unduly force up the rates of labour.

The delay has had one good result, inasmuch as it has given time for the arrival of the permanent way materials and rolling stock, full supplies of which are now coming to hand; and I have little doubt that there will be an even more