OPENING LANDS FOR SETTLEMENT.

The question of providing for opening lands for sale and settlement has pressed itself upon the consideration of the Government. We see plainly that the work of settlement cannot go on as it ought in many out-districts without assistance, and this is especially so in the case of bush lands. A Bill will be introduced to enable the Government to make advances for opening new blocks for sale, such expenditure to be recouped from the proceeds of sales of land within the districts so opened. A large sum might be expended with great advantage on this object, but we have to look to the means at our command, and only see our way to propose a vote for expenditure during the present year of £50,000.

WATER-RACES.

The expenditure on these works during the past year has been almost entirely confined to a few races, upon which large sums had been previously spent. In the North Island the only work of the kind in hand has been the Thames Race, and it has been completed, except the distribution to the batteries, for which provision will be asked.

In the South Island,—

The Mount Ida Race has been completed.

On the Nelson Creek Race large works have been carried out, necessitating the employment throughout the year of two hundred men. It is anticipated this race will be completed during the present month.

On the Waimea Race very considerable works have also been undertaken, including an extension to the Kumara. It is estimated that all the works in connection with this race will be completed in a few months.

The Mikonui Race has not been proceeded with, the tenders for the first section of the work having been considerably in excess of the vote.

It was stated last year, by my predecessor, that the Government proposed to hand over the different water-races to the Councils of the counties in which they were situated, and the Government has endeavoured to give effect to that proposal. The County Councils that have been communicated with have not, however, been willing to undertake the charge, and considering the very large cost of the works, the Government has not felt justified in handing them over until assured that proper provision was secured for their care and maintenance.

Appended to the Report of the Engineer-in-Chief is the Report of Mr. O'Connor, the Engineer under whose supervision the large water-races on the West Coast have been constructed. I regret to say that the results he reports in the case of such races as are completed are not satisfactory.

The Government propose to ask the House to provide the sums required to complete the most important water races in course of construction, which are estimated, including liabilities, as follows:—

					£
For the Thames Race		•••	•••		6,505
" Waimea Race			£ 5 *		25,828
" Nelson Creek	•••	•••	•••		24,384
" Four-Mile Race					14,000
" Mikonui Race	•••	••	•••	•••	15,650
					£86,367

In the case of the Mikonui Race the amount asked for is the unexpended balance of last year's vote, but as the estimated cost of that race is £81,000, the Government will not propose to commence the work unless satisfied that the whole scheme will be completed by a private company.

PUBLIC BUILDINGS.

The Report of the Colonial Architect cannot be appended to this Statement, as he is laid up by illness in Dunedin. It will, however, be printed and published as soon as he is well enough to furnish it.

I hope to be able at the same time to give the House the valuation of the Provincial Buildings throughout the colony. The work of valuing is far advanced, and the valuation will be furnished as early as possible.