A.-1.

Ministers were anxious that I should take part in the ceremony, I of course

complied most readily with the request.

A large number of the members proceeded on Wednesday night in the Government steamer to Lyttelton, and on Wednesday evening a large banquet was given by the Mayor of Christchurch, to which about two hundred and fifty

people were invited; and great enthusiasm was evinced by all present.

At 6 o'clock on the following morning a special train, containing about three hundred persons, started for Dunedin, stopping for a short time at Ashburton, Timaru, Oamaru, and Palmerston, arriving in Dunedin shortly after 6 p.m. It was most gratifying to observe the thorough appreciation of the importance of the event which was manifested by all classes of the population throughout the whole line. Not only at the places that I have named were the stations crowded to excess by an eager population who evinced their satisfaction by constant and vigorous cheering, but even at the small stations where the train did not stop, at the roadcrossings, and even in the fields by the sides of the railway, groups of people were constantly seen collected, waiting to give the train a hearty greeting as it passed along.

On the arrival of the train at Dunedin there could not have been less than ten thousand persons in and about the station. The City was illuminated; and on my declaring the line open, which I did on stepping on to the platform, the cheering

was long and continuous.

On the following evening I attended a banquet given by the Mayor, when about four hundred persons sat down, and the speeches which were made upon the occasion only reiterated the feelings of satisfaction which had been evinced the

day before.

That the event which we were assembled to commemorate was one which was well calculated to create the enthusiasm which it excited there can be no doubt. Since the commencement of the public works policy which was first initiated in 1870 by Sir Julius Vogel, the railways have been gradually progressing, large sums of money have been expended upon them, while the receipts have been small, and the fears of many have been excited as to whether the works undertaken would ultimately succeed, and whether the country would be able to bear the expense which they entailed. So long as the portions of line opened were disunited sections, which afforded little facility for traffic, of course the line could not be expected to Now, however, that the main lines in the South Island at any rate are nearly completed, I think there are evidences to show that, both directly and indirectly, the colony will receive an ample return for the money that has been expended. Even last year, when through communication was still incomplete, the receipts from the railways in the South Island produced something over  $2\frac{1}{2}$  per cent. over working expenses upon the whole of the money expended upon railway construction in that Island.

Now the line is open from Amberley to Dunedin, a distance of 262 miles, and, with the exception of a short break of twenty miles, from Dunedin to Kingston. In about two months this small gap will be completed, and there will then be an unbroken line of 488 miles from Amberley to Kingston, exclusive of several branch

During the first eight weeks of the present financial year the receipts from the Canterbury sections alone have increased very nearly £14,000, or at the rate of nearly £2,000 a week above the receipts of the corresponding weeks last year; and there is therefore every reason in hoping that the railway in the South will before

long cease to be a burden upon the resources of the colony.

While the prospects of the direct advantages to be derived from the railways are thus bright, the indirect advantages are equally hopeful. The value of land in the vicinity of the railways has, in the last three or four years, doubled, quadrupled, and in some instances increased more than tenfold. Large tracts of land, which formerly, from want of cheap transport, could only be used for pastoral purposes, are now under cultivation and producing large crops of grain and root crops; and this colony, which until very recently was mainly dependent upon South Australia for its wheat, is now a large exporter of grain, 145,600 tons having passed through the Christchurch Station alone for exportation.