The further extensions provided for in the Estimates for the present year, include the erection of a telephone exchange at Greymouth; and also the completion of the Kaipara Heads line, the Middlemarch line, and the line from Waipa to Parua Bay.

PUBLIC BUILDINGS.

The principal public buildings in course of erection since the last Public Works Statement was made, have been—The construction of a new Printing Office, the re-erection of the Post Office, and the continuation of the Prison Works, in Wellington; The construction of new Departmental Buildings, additions to Lunatic Asylum, and continuation of Prison Works, in Auckland; and Some additions to the Lunatic Asylum in Christchurch. The amount voted for buildings last year was £109,105, of which £90,529 was expended; and, for this year, with liabilities at end of March last amounting to £29,610, we propose to ask for a vote of £52,244. This will leave a balance of £69,637 of loan allocation for appropriation in succeeding years.

As promised in my Statement of last year, the cost of the re-erection of the Wellington Post Office has been provided for out of the Consolidated Fund, as has also the cost of school buildings for this year, with the exception of a small amount for liabilities existing on the 31st March last. A beginning has also been made towards gradually throwing the whole cost of public buildings on the Consolidated Fund, by providing out of that fund this year for the construction of some of the ordinary departmental buildings required, in addition to school buildings.

LIGHTHOUSES, AND HARBOUR WORKS

Lighthouses.—On account of lighthouses, the amount voted last year was £4,300, of which £2,866 was expended. For this year we propose to ask for a vote of £3,750, leaving £1,684 for next year. The amounts thus proposed to be asked for this year and next year, with the exception of £100 for survey of Kaikoura Lighthouse, and £150 for sundries and contingencies, are all for the Cuvier Island Lighthouse, that being the only work of the kind for which provision was made in the loan allocation of last year.

The necessity of erecting a lighthouse on Stephen's Island to reduce the danger of navigating Cook Strait, and of placing a coast light at the Kidnappers, on the East Coast, has engaged the attention of the Government, but as both works are of a costly character, it has been decided to allow them to stand over for future consideration.

Harbour Works.—For harbour works, no provision is made in this year's Estimates, the loan allocation for that class of work having been exhausted by the vote of last year.

HARBOUR DEFENCES.

Coming now to the subject of harbour defences, I find that the total cost of the harbour defences of New Zealand, up to the 31st March 1888, has been £392,286; of which £52,231 was spent on 64-pounder and 7-ton M.L. guns, torpedo-boats, and reports by military engineers, &c., prior to the war scare of 1885, leaving in round numbers £340,000 as the total cost, on all accounts, of land defences and submarine defences, equipments, armaments, and material of war, since the actual construction of the defence works began.

The vote for the year 1887-88 was £80,000, and the expenditure £73,459, with liabilities at end of year £36,422; of which £3,145 was for works, and £33,277 for war material. Of the total sum of £130,000 provided for harbour defences in the loan allocations of last session, there remained on 31st March last an unexpended balance of £56,541, which is proposed to be expended during