

has been, in round numbers, £458,000, of which £238,000 represents cost of *matériel* from England, and £220,000 the cost of works in the colony. Of this latter sum £34,000 has been paid for land, the remaining £186,000 representing the cost of forts, batteries, submarine defences, and general charges.

The defence-works proposed to be executed during the year are the completion and armament of the batteries already in hand. The cost of these works is estimated at £13,000, of which £3,000 is proposed to be charged to loan, and the balance to the Consolidated Fund. Beyond this year's appropriations, it is estimated that somewhat more than a similar further amount will be required to make our harbour defences thoroughly efficient.

MISCELLANEOUS CHARGES ON LOAN FUNDS.

Purchase of Native Lands.—The balance of the loan allocation under Part I. of the Public Works Fund, available on the 31st March, 1889, for the purchase of Native lands in the North Island generally, as distinct from purchases out of the North Island Trunk Railway loan, was £9,396; but by the passing of "The North Island Main Trunk Railway Loan Application Act Amendment Act, 1889," this amount was increased by £20,285, being a refund out of the North Island Trunk Railway loan, to the general fund, of moneys previously provided for the purchase of land within the railway area. The total amount available in the general fund was thereby increased to £29,681. Of this amount £24,429 has been expended during the late financial year, leaving a balance of £5,252 still available. The transactions include the purchase of the Pukeroa-o-Ruawhata (Rotorua Township) Block, on which £8,064 has been expended—interests representing 1,021 out of 1,100 shares having been acquired; also the purchasing of shares in the Taumatamahoe and other blocks; and completing a number of unfinished transactions. The total area of which the purchase was completed during the year is 33,600 acres.

On Part II. of the fund there was available on the 31st March, 1889, for Native land purchases within the railway area, the sum of £1,509, but a further allocation of £100,000 out of the North Island Trunk Railway loan was made last session for new purchases, in addition to the allocation of £20,285, already referred to. The total amount available for new purchases under Part II. of the fund, therefore, was £101,509, and of this amount £3,765 was expended during the year.

As may be judged from the small amount of the expenditure under this part of the fund, no great extent of land has been actually purchased, but considerable progress has been made with the necessary surveys, and also in the matter of placing the titles in a position to be dealt with.

Some legislation will be necessary to remove difficulties which have impeded negotiations in the past, and the Government has a Bill prepared dealing with the matter, which will be introduced shortly.

Rates on Native Lands.—The amount voted last year to cover claims for rates on Native lands for the year ended the 31st March, 1889, was £8,595, the amount expended being £5,874. To cover the balances for 1888–89, not claimed up to the 31st March last, and the claims for 1889–90, which fall due during the current financial year, a sum of £16,000 will require to be authorised, but probably not more than about £14,000 of this amount will be required for actual expenditure within the year. Of this sum, £5,000 is proposed to be charged to the Public Works Fund, and the balance to the Consolidated Fund. After the rates for 1889–90 have been paid no further sums will be payable, the Act having been repealed.

Immigration.—Immigration is still restricted to exceptional cases of separated families, or near relatives who are more or less dependent upon their friends in the colony for assistance. The number of immigrants introduced under the regulations of the department during last year was 82, the total cost of their passages being £1,035, of which amount £560 was paid by the nominators in the colony, and £85 by the immigrants themselves in London. Since the 1st May last 24 persons have been provided with passages, and the number of nominations now on the books of the department is 133.