

In Southland, the roads have been completed in the Lillburn district west of Waiau; but the bridge across the river at Clifden has not yet been built. Tenders were invited, but those received were considered too high. Another design is in course of preparation, and fresh tenders will be invited shortly. Some work was also done in the Waikawa district and on the Merrivale Estate.

For the current year we ask for the following appropriations, viz. :—

	£
Main Roads	12,000
Miscellaneous Roads	21,694
Local Bodies	465
Development of Thermal Springs and Natural Scenery	41,715
Land Improvement Account	209,986
Government Loans to Local Bodies Account	50,000
Native Lands Purchase Account	162,276
Total	<u>£498,136</u>

ROADS ON GOLDFIELDS (MINES DEPARTMENT).

As mining and prospecting operations are extending to more outlying localities, greater demands are made for the construction of further roads, bridges, and tracks, as well as for assistance to the local bodies in improving roads already constructed so as to enable heavy machinery to be conveyed to the various claims which are being developed. The vote for roads and tracks last year amounted to £31,031, while the expenditure was £21,513, with liabilities to the amount of rather more than the balance of the vote. The vote proposed for the current year is £82,257.

DEVELOPMENT OF GOLDFIELDS.

As pointed out last year, a much larger expenditure is now required under this heading than has hitherto been the case.

Owing to the increased demand for gold-mining claims, it is proposed to extend the existing provisions of the Mining Act in respect to the resumption of land, on payment of compensation, for gold-mining purposes. A Bill to give effect to these proposals is at present before Parliament.

Applications have been received for fourteen extended prospecting-licenses at the Great Barrier Island under "The Mining Act Amendment Act, 1895," and, in consequence of the discoveries of gold and silver which have been reported in that locality, that island has been included in the boundaries of the Thames-Hauraki Mining District. This will enable applications for mining-rights and claims there to be readily dealt with by the Warden's Court at the Thames.

Thirteen applications have been received for assistance under the regulations of the 29th November, 1894, towards the construction of water-races and storage-reservoirs, but up to the present time only one of these has been finally dealt with—namely, that for the construction of a water-race from the Roaring Meg Creek to the head of German Gully, near Greymouth, towards which a subsidy of £800 has been promised.

The sinking of the deep-level shaft at the Thames, to which reference was made in the Financial Statement, is being satisfactorily carried on, and, the Agent-General having informed the Government that the contract for the construction of the pumping plant was let in April last, and that the work was being pushed on rapidly, it is anticipated that advices will shortly be received of the shipment of the plant for this important work, toward which, as the House has already been informed by my colleague, assistance has been promised by way of subsidy to the extent of £25,000.

Negotiations are still in progress in respect to the application of the Ross United Gold-mining Company for a subsidy to the extent of £10,000, at the rate of £1 for every £2 contributed by the company, towards the future development of that company's property at Ross Flat.

From the annexed tables of expenditure it will be seen that the total sum expended last year on works under the head of Development of Goldfields was £9,345.