As will hereinafter be seen, the sum provided will enable us to proceed with each of the works referred to at a rate which will, I am sure, afford satisfaction to all reasonable men.

While due provision must be made for carrying on the work upon the main arterial lines, there are also other works in progress of almost equal importance for which fair provision must be made. The Government have been urged to proceed with several extensions which are worthy of consideration, but with the means available, and the extent of work now in hand and proposed, it is impossible to take any but the more urgent ones into consideration at present.

LIGHT RAILWAYS.

There is urgent necessity for opening up our colony by convenient and regular means of communication, so as to enable our sturdy settlers to more advantageously compete with other countries in the markets of the world. This induces me to again revert to the question of light lines of railway—upon which subject honourable members will find some useful information in my Public Works Statements of 1896 and 1897.

In many parts of the colony, especially in the North Island, the scarcity of road-metal and the heavy cost of cartage, where expensive roads have to be formed and maintained, is a severe tax upon the settlers, upon the local bodies, and upon the colony. So serious has this become that in many districts the roads are practically impassable during winter months. How best to meet this difficulty is of great importance to the colony, and especially to the settlers who are more immediately concerned. Again, it must be borne in mind that a great deal of our magnificent scenery is not approachable by the majority of tourists owing to the absence of convenient means of access, and this too in districts where there are a number of settlers. If at a comparatively small cost light lines are constructed to the more important points they will open up this scenery to the travelling public, and at the same time provide facilities for our settlers, and further assist in developing our resources. After very careful consideration of the requirements referred to I have come to the conclusion that the best and most economical course is in certain districts to construct narrow-gauge railways.

It may be asked, What is a narrow-gauge railway? Compared with the 5 ft. 3 in. gauge of Victoria, or the standard gauge of 4 ft. 81 in. of Great Britain and New South Wales, the ordinary lines in New Zealand may be said to be of I, however, refer to a still narrower gauge-viz., 2 ft. For the a narrow gauge. main lines and where the traffic would rapidly develop, the present 3 ft. 6 in. gauge should be adhered to; also, in easy country where it is nearly level, and the formation of the earthwork is of an inexpensive nature, the present gauge should not be departed from. The cost of construction upon the present gauge could, however, be reduced 20 per cent. by using lighter rails, fewer sleepers, and constructing bridges of a lighter standard than those used at present. would necessitate the use of lighter rolling-stock and running less weighty trains than is now the practice. However, the same reason which probably actuated my predecessor in adopting the 3 ft. 6 in. gauge instead of a broader one—viz., economy and more rapid construction—induces me to suggest that, whether as branch lines opening up new country, as feeders to the main line, or as steam tramways, a 2 ft. gauge will best meet what is required.

In different parts of the world railways have already been constructed of this gauge, notably the Darjeeling line in India, the Caen to Luc-sur-Mer and Dives line in France, the line from Ferdinandshof to Friedland in Germany, and the North-east Dundas line in Tasmania, the cost of which, including rolling-stock, was, according to a late official statement, £3,465 per mile. The result of several years' experience is that such lines can be constructed expeditiously and economically, which means a saving in interest, a greater earning-power upon the first cost, and a considerable reduction upon the cost of maintenance, as compared with lines of a broader gauge.

By utilising as far as practicable existing roads, the cost of construction would be reduced to the lowest point, and the convenience of the