amounted to £316,464, as shown on the estimates. The £318,090 allows for the value of stores consumed but which were paid for during the previous year.

The Auckland–Penrose and Addington–Rolleston duplicated lines have been completed and brought into use for traffic. The Wellington–Hutt duplication-works have made considerable progress: the construction of the new main road is well in hand, and unless something very unforeseen occurs the whole work, railway and road, will, it is anticipated, be completed during the present financial year. Work in connection with the Dunedin–Mosgiel duplication is being pushed on: the Caversham tunnel has been pierced, and the line completed and opened as far as Burnside. A considerable number of men are employed in prosecuting the work thence onwards to Mosgiel.

The expenditure on these works for the last financial year was £140,531, made up as follows:—

	£
Wellington–Hutt duplication-works	30,814
New Hutt Road, including land for same	28,468
Auckland–Penrose duplication-works	5,476
Addington–Rolleston duplication-works....	9,256
Dunedin–Mosgiel duplication and deviation of line	66,517
	£140,531

For the current year provision for the duplication-works has been made to the extent of £135,000, namely:—

	£
Auckland–Penrose duplication....	1,000
Wellington–Hutt duplication	35,000
Addington–Rolleston duplication	3,000
Dunedin–Mosgiel duplication	96,000
	£135,000

The amount proposed to be voted for the current year for additions to open lines is £350,000, of which £230,000 is for new rolling-stock and workshops machinery, and £25,000 for interlocking signal gear, tablet-installation, &c.

DEVELOPMENT OF WATER-POWER.

As already announced in the Financial Statement, the Government considers that the time has now arrived to take up with vigour the question of developing our abundant water-powers. The Prime Minister promised that proposals should be submitted to undertake one or more schemes, and to extend the work from time to time until all our centres of population have been supplied with hydro-electric energy and until our principal sources of power have been turned to commercial advantage.

To supplement the information previously available, two additional reports have now been obtained from professional men of high standing—viz., an important report by Mr. R. W. Holmes, Engineer-in-Chief of the Department, on the different schemes available, together with detailed estimates of cost of some of them and probable commercial results of working same; also a very full report by Mr. Lawrence Birks, B.Sc., A.M.I.C.E., A.M.I.E.E., on the subject of the demand that exists for power, the schemes that it would be best to develop to supply same, details of probable cost, probable working-results, &c. Mr. Holmes also gives a list of a number of existing long-distance-transmission lines, from which members will observe that there are numerous lines in existence where energy is transmitted more than 100 miles, and some where the transmission distance is over 200 miles, or longer than proposed in any of the schemes at present under consideration in this Dominion. Both of these reports are printed as appendices to this Statement.

The present position of matters is that the Department is in possession of fairly complete trial surveys and much other engineering data regarding both the Hutt River and Lake Coleridge schemes, and a large amount of very useful information in respect of several of the other schemes proposed. We are in a position to at once commence actual construction-works in connection with either or both the former schemes, and instructions will be given for a com-