

Honourable members have already received the Government's proposals regarding land-settlement, and it is the Government's desire to, as far as possible, employ on the development of unsettled and unproductive lands under the provisions of the Land Laws Amendment Bill of this session many of the more experienced Public Works employees who by their long and faithful service have shown that they possess many of the necessary qualities that go to make successful settlers, and it is hoped that they will avail themselves of the opportunities of obtaining farms that are being offered under that legislation. By this means the way will be opened for employment on standard works of my Department of more of the ordinary unemployed.

Unfortunately, during last recess available time would not permit of my visiting some of the more northern parts of the country, but it is my intention and desire to devote as much time as possible to travelling in those localities as soon as can conveniently be arranged after the session.

In connection with railway-construction, during the year 106 miles 30 chains of lines have been completed and handed over to the Working Railways Department for ordinary operations. In addition to the lines handed over for incorporation in the railway system, traffic has been carried on by my Department on sixty-nine miles of railway which are either not absolutely complete or the control of which by my Department is essential in the interests of economy of construction of other portions not yet completed, but which are so interconnected with the completed portions as to indicate that the control should still be retained in the hands of the Public Works Department.

The Government, after full consideration, decided that the railway which was being built from Rotorua to Reporoa—a distance of about twenty-eight miles—should be discontinued, and also that the deviation of the Main Trunk line at Palmerston North which had been put in hand by the previous Government was not justified at present. Accordingly these works were stopped, and the men, plant, and material which had been employed on these works were transferred to the Gisborne-Napier Railway, on which it was decided to accelerate progress.

The extension of the North Auckland Main Trunk Railway is not proposed beyond Rangiahua, where the railway will make contact with the Hokianga waters. The difficulties of railway-construction in the North Auckland district are phenomenal, the instability of the ground rendering either road or railway construction particularly expensive. However, it is considered that so much money has already been spent on the final section, and also on the link which will bring the Dargaville-Kaihu Valley Railway in connection with the Northern Main Trunk line, that it is advisable to complete these portions in order that the districts to be served may have the advantage of railway convenience.

The results obtained from the working of the East Coast Main Trunk Railway, and the benefit which it is conferring upon the population up to and even beyond its present terminus at Taneatua, are such that I hope it will be found justifiable to proceed with the extension of this railway towards Opotiki when some of the other works now nearing completion are out of hand.

Prior to my assuming office the question of the route of the Napier-Gisborne Railway between Wairoa and Gisborne had been the subject of a great deal of controversy, and many reports had been made on the subject. I reviewed the whole position and with my colleagues gave the matter close attention, with the result that it was decided that what has come to be known as the coastal route should be adopted. This route, in addition to saving about eight miles in actual distance, reduces the amount of new line to be constructed by twenty-six miles, and therefore very greatly reduces the time which must be spent in construction before a through connection can be made. Work on this line is now being prosecuted vigorously, there being approximately 1,200 men engaged, as well as numerous steam-shovels, locomotives, and other mechanical plant. The construction is being attacked in three main directions—northwards from the