

and merits attention. Several pits have been sunk on this property proving the extent of the coal, but at present nothing is being done towards forming a company to work it.

In Shakespeare Bay, Picton, coal has been reported to occur, but an examination of the country does not give any prospect of coal being found there in workable quantities.

The almost inexhaustible coal fields in Otago are now being worked to a comparatively large extent, and with the facilities that will be immediately offered by the railways in course of construction, the development of these mines will be rapidly extended. The same remark applies to the coal fields in Canterbury and the neighbourhood of Greymouth.

#### INSPECTION OF MACHINERY.

Shortly after the close of last Session, steps were taken to bring into operation the Act for the Inspection of Machinery. The Inspector of Marine Steam Engines was appointed as Chief Inspector under the Act, and four Inspectors were appointed under him.

From the report of the Chief Inspector, it will be seen that machinery of various descriptions, in 351 establishments, have been inspected, and 513 steam boilers.

Several small defects have been found in the Act, which it is proposed to amend this Session. The fees for inspection in some cases are too high, and in others not sufficient.

The amount of fees collected under the Act for the six months ending 30th June last was £903, and the expenditure £824 12s. 9d.; but while the expenditure will rather increase during the next six months, the receipts will be considerably less.

The Government consider that while no attempt should be made to create a revenue from this source, the fees should be made to pay all the necessary expenses of carrying out the Act.

As a rule, the owners of machinery of all classes have signified their approval of the Act, and there is no doubt that the Inspector's recommendations have been of much service; and if the provisions of the Act are carefully carried out in the future, very great benefit must accrue to the public.

#### NEW WORKS.

The Government consider that the only appropriations which should be taken this year out of the balance of the loans authorized to be raised are those for works which will tend to render the railways already authorized to be constructed more complete, and that any further extensions should be postponed until, at all events, the greater proportion of the railways now in course of construction are open for traffic. I feel convinced, from the satisfactory results shown by those already open, that there will then be no difficulty in raising whatever funds may be necessary to further extend the main trunk lines.

At Auckland workshops have been erected, on which about £12,000 has been expended, and before they are completed about £3,000 more will be required. No vote has yet been taken for this expenditure, and we shall ask for £15,000.

The extension of the Napier and Waipukurau Railway was authorized as a tramway; but as the experience of the Manawatu Tramway showed the Government that it would be a great waste of money to lay down wooden rails, they determined to ask the House to convert this line into a railway at once; and for this purpose, including the necessary stations and rolling stock which has been ordered from England, a sum of £27,000 is required.

Between Manawatu and Wanganui votes were taken for an estimated length of 58½ miles; but on completion of the plans it is found that the length is five miles in excess of that estimate, and we therefore ask for £30,500 to finish it.

The Government knowing that it was the intention of Parliament that the Wellington and Masterton line should be constructed as far as Masterton, a vote is proposed to be taken for that purpose. As already described, on completion of the contract surveys it has been found that a large additional vote is required to