3 E.—3.

thought it best to take advantage of the comparatively low rates prevailing in March last.

While on the subject of the importation of railway plant, I think it as well to refer to the charges which have been very freely made during the past year as to the bad quality of the material. As far as experience has shown at present, there is very little to complain of. The orders sent Home have been very well executed on the whole. In addition to the inspection which takes place in England, everything is so closely examined in the colony, that wherever there is any room for complaint it is at once made, and claims for remedying the evils are sent Home. In almost every instance the amounts claimed have been at once recognized and paid, or fresh material sent out free of cost.

Although many of the works have not been proceeded with as expeditiously as was contemplated last year, it will be found that a very large amount of work has been done. Where delays have occurred in completing some of the contracts, they have not arisen from want of pressing on the part of the officers of the department. In spite of the very large accession to the labouring population of the colony during the greater portion of the year, there has scarcely been a locality where contractors have been able to procure a sufficient supply of labour, and to this cause the delays that have taken place are mainly to be attributed.

From almost every district where railways have been authorized, urgent demands have been received to press on the works faster than they have been proceeded with. It has been the duty of the Government to be careful not to place too much work in the market, and so further force up the rates of labour. For the same reason it has been considered better to extend the time for completion on several contracts. Although in every contract there are penalties for non-completion, a large amount of discretion has been used as to their infliction. Speaking generally, they have only been enforced where it has been shown that the contractors have not really endeavoured to procure labour and materials for their work, or where the Government have suffered directly by the delays so incurred.

I will only add, Sir, that I trust the House will not urge this or any Government to enter upon the construction of any extension of the railways already authorized, or of any new ones, until they have the assurance that the lines have been properly surveyed, and reliable details procured. I attribute, in a great measure, to the departure from this rule, the additional cost which has been incurred in several directions,—a cost which would undoubtedly have been saved had sufficient time been allowed in the first instance for proper surveys to have been made.

I shall avail myself of the opportunity of the second reading of the Railways Bill to refer in detail to the increased votes the Government intend to ask for, and only allude here to the principal items.

First, the Auckland and Mercer line now open. The excess of £20,000 is mainly caused by the large cost of the station buildings (particularly those in Auckland), an additional supply of rolling stock, and a bonus to the contractors, Messrs. John Brogden and Sons, who have expedited their work on this line very much during the past year, and saved four months on the contract time.

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The Napier and Waipukurau line also cost some £20,400 more than is already appropriated for it, the excess being mainly attributable to the amount of bridge work being so much greater than was at first estimated for, together with large additions to the rolling stock. A considerable additional length of this line will be open for traffic during the current year.

Owing to the evident failure of the Manawatu tramway to resist the heavy traffic upon it, the Government decided last November to abandon the idea of using wooden rails in the extension of the Napier line to Takapau, and to substitute iron rails, and the House will be asked for the requisite funds for this purpose.

The Manawatu tramway, which was last year authorized to be converted into a railway, will require a further vote of £24,000, making a total cost, including previous votes, of £84,000 for the 25 miles of railway, including station buildings and rolling stock. In asking for the vote last session, it was anticipated