

- 2nd. A new wharf at Onehunga in connection with the railway. The cost of this will be £14,000.
- 3rd. A vote of £20,000 for the extension of the main south line from New Plymouth towards Patea and Wanganui.
- 4th. A vote of £10,000 for the extension of the main line from Napier towards Wellington.
- 5th. A vote of £8,000 to extend the Nelson and Foxhill line into the port.
- 6th. A further vote of £25,000 to meet present liabilities at Greymouth on the Brunner Railway, and to provide funds to continue the harbour works at a moderate speed.
- 7th. A further vote of £30,000 for works at Westport.
- 8th. A further vote of £16,000 to complete the Picton and Blenheim Railway into Seymour Square, in the centre of Blenheim.
- 9th. A vote of £8,000 for connecting the Kaiapoi and Eyreton Railway with the Oxford and Rangiora Railway.

These, Sir, with an addition of £10,000 for new surveys, are all the works in connection with railways for which it is proposed to ask votes during this year, and together they amount to £156,000.

I have before referred to the roads North of Auckland, and the Government, considering how small an amount of work has been done there, and that it would be unsatisfactory to leave the main trunk road in its present condition, propose to ask for a vote of £10,000, which, together with the balance remaining on the old votes, will, it is estimated, provide sufficient funds to enable all the necessary bridges to be built on the main trunk road to the Bay of Islands, and the formation of such portions of the road as may be found necessary to open them up for dray traffic—together with a main cross road from Wangarei Heads westward.

My honorable colleague has already in the Financial Statement, referred to the question of the taking over the responsibility of the management of all the railways constructed out of public moneys.

He has alluded to some of the reasons which exist for this action, and I wish to point out that there are now three systems of management, three entirely distinct tariffs of charges, and as many Audit Departments.

The rates of remuneration to the same classes of officers are on very different scales, a circumstance which causes a constantly increasing difficulty in the management in the different districts, and must lead to a higher rate of pay generally than there is any occasion for.

I have no doubt whatever that very considerable saving can be made in the management by placing the railways under one system, with respect to those now open; and when the railway is complete between Timaru and Oamaru, the necessity for the establishment of a clearing-house system will be avoided. Many other reasons might be urged, and not the least of them is the saving in outlay for rolling stock. Under a combined management, the whole rolling stock on all the lines which are connected will be available to meet any emergency in any part of the system.

I have purposely omitted making any comparison between the systems of management now in force, as it must be admitted that, on the one hand, no matter who works these lines, the public convenience will have to be consulted, and, on the other hand, the Government, watched by this House, will insist on their being economically worked.

I have only to add that the experience of the past year confirms the opinion I have previously expressed, that, with prudent management, the railways will yield, taken as a whole, a very considerable contribution towards the interest on their cost.

The estimated revenue on lines at present worked by the Government is stated at £132,200, and that on the Canterbury and Otago lines at £185,000, and £127,800 respectively, making a total of £445,000.

If the estimates I have had laid before me should prove to be correct, the railways open for traffic ought to yield next year about 3 per cent. on their capitalized cost.