

WAITAKI—BLUFF AND BRANCHES.—New stations are in progress at Dunedin and Invercargill, and the one at the Bluff has been rearranged and enlarged. Numerous extensions and improvements have been made at wayside stations, and the rolling-stock has been largely increased.

INVERCARGILL—KINGSTON AND BRANCHES, INCLUDING WESTERN RAILWAYS.—On these lines a considerable number of minor improvements have recently been effected, including several additions to stations.

By reason of these and many similar additions made to the opened railways during the past few years, we have now got 1,404 miles of railway complete, and equipped—not of a description such as was proposed in 1870, when the scheme of public works was inaugurated by my colleague, Sir Julius Vogel—but lines of a much higher class, and of such a nature that much higher speeds can be run, and much greater traffic than was then anticipated can be carried.

WORKING RAILWAYS.

Without wishing to cast any reflections on the present General Manager of Railways, I unhesitatingly express my opinion that the condition and management of our railways are in a very unsatisfactory state. My honourable colleague, the Colonial Treasurer, recently said, that in many of the railway systems not nearly so large as that of ours in New Zealand it would be thought absurd to leave to one man the virtually irresponsible control and management, without any one to consult, on the many difficult points which arise from day to day. Yet, such is the case here; and I fear no great change for the better can be expected till the whole system is altered.

I have been of the opinion, ever since our first railways were opened, that such a system of management as at present prevails could not produce satisfactory results; and, as each year has passed by, that opinion has been strengthened. And, if anything was wanted to convince me that a great change was wanted, the short time I have held office has afforded me ample proof that it cannot be made too soon.

It is a matter of the deepest regret to me that, owing to the late period of the year, the Government have come to the conclusion that it will be impossible to carry through a Bill this session creating Boards of Management, which would be responsible for the working of our railways; and, did I not feel convinced that the Government and the House were determined to take this course at the earliest date possible, I should not have consented to take office.

The House will understand that, in saying this, I mean no disrespect. I feel bound to state these opinions, because I should otherwise accept a false position. Whilst I believe that strong Boards are necessary to guide and control the management, both in the Middle Island and the Auckland District, I find myself, with multifarious other duties to perform, virtually standing in the position of the two Boards. I will do the best I can, but I must not pretend to think that, unaided, I can reform the railway system as it requires to be reformed.

Honourable members would be amazed if they knew all the powers vested in the General Manager by the late Government by Orders in Council and otherwise. Again, however, let me say that I have the highest opinion of the General Manager's ability and zeal. It is as much due to him, as to ourselves, that he should not be placed in a false position.

Honourable members are aware that two great changes have been made during the year: the one being an alteration in the passenger rates and the doing away with the ordinary return tickets, and the other a general rise in the goods tariff.

There has hardly been time enough to ascertain the effect produced by the former; but the result of the inquiries I have made clearly point to the fact that the great bulk of the passenger traffic is confined to the two days in which the cheaper fares obtain; and, indeed, it would appear that the traffic is still being reduced on the other days of the week when the higher rates are charged. I feel