

Estimates. The effect of placing on the estimates votes to cover liabilities extending over a considerable period after the close of the year to which the vote related, has been to unduly swell the sum total of the appropriations. It has often led to the belief that the proposed expenditure on a particular work during the year was to be largely in excess of what it was really intended to be, and has led to complaints from members and their constituents that the Government has broken faith with them by not giving full effect to its proposals. It will, of course, still be necessary to obtain the authority of Parliament to incur liabilities in excess of the vote, if it is considered likely to be needful to incur any such. It will therefore be proposed to make a slight verbal alteration in the wording of the fourth section of the Public Works Appropriation Act, and to attach a Schedule to the Act setting forth the amounts to which liabilities on account of each work may be incurred. A copy of the Schedule proposed to be attached to the Appropriation Act of this year, and also of clause 4 of the Act as now proposed, is attached to this Statement.

I feel sure that the change proposed will be approved by honourable members, and that the real amounts intended to be expended on the several works prior to the next meeting of Parliament will be much more clearly understood than has been the case hitherto. The change will also be an improvement departmentally, as tending to facilitate the account-keeping in both the Audit and Treasury, as well as the Public Works Department.

The expenditure on all works and services throughout the colony under the Public Works Fund, up to the 31st March last, including the purchase of the provincial and district railways, has amounted to a total sum of £28,887,434. The principal items stand as follows, namely, Railways, £15,630,604; Roads, £3,708,817; Immigration, £2,146,209; Public Buildings, £1,846,679; Purchase of Native lands, £1,295,625; Lighthouses, Harbour works, and Harbour defences, £900,370; Telegraph Extension, £663,666; Water-works on Goldfields, £517,169; Defence purposes generally, £429,719; Departmental expenditure, £367,755; and Cost of and Discount on raising Loans, £1,026,828.

DEPARTMENTAL ADMINISTRATION.

The administrative staff, as mentioned last year, has been reduced far below that maintained by the department in former years. During the year it has been subjected to a somewhat severe strain, as the expenditure was in excess of that of the previous year. The work, however, has been very well done, and I have much pleasure in acknowledging the loyal support that I have invariably received from all the officers.

Towards the close of the financial year the Government, having in view both efficiency and economy, directed the late Defence Engineer to also take up the duties of Resident Engineer of the Public Works Department for the Wellington District. Mr. Bell agreed to this, subject to certain conditions, and it was arranged that he should take up the duties as from the commencement of the current financial year—namely, 1st April last. On the 11th March, however, Mr. Bell tendered his resignation, as he had received an offer of employment in Australia. Mr. Bell's resignation was accepted with very great regret, and in accepting it I expressed my appreciation of the valuable work that he had performed for the Government as Defence Engineer, and informed him that he had been granted a special retiring-allowance of six months' salary.

Since Mr. Bell's retirement the engineers of the Public Works Department in the several districts where defence-works are in progress have, under the general direction of the Engineer-in-Chief, undertaken the supervision of the works. This is a reversion to the system in operation before the appointment of the Defence Engineer, and under which the majority of the defence-works were initiated and carried on for some time. As the works at present in hand are not of any magnitude, the Government proposes to continue their construction under the Public Works Engineers on directions to be furnished by the Commander of the Forces.