E.—1.

The expenditure on Public Buildings during the year ended June last amounted to $\pounds 43,309$, particulars of which will be appended.

The expenditure that will be required during the present year for Buildings is very much increased by the charge and maintenance of all public buildings in the colony having to be provided for, many of which were formerly provincial charges. It is found that many of these Buildings are in a bad state of repair, and afford insufficient accommodation. For Schools alone it is estimated that $\pm 50,000$ is requisite. The provision needed for Lunatic Asylums, Lighthouses, Gaols, Police, and Courthouses, is very considerable. In all, the expenditure for Public Buildings is estimated at $\pm 215,000$.

COAL EXPLORATION.

During the past year, the survey of the Buller Coal Field, commenced in 1874, has been brought to a close. The existence of over 100,000,000 tons of coal has been proved of good quality, in positions which can be worked to advantage. Several leases are understood to have been issued, but up to the present time the only mine in work is that belonging to the Wellington Coal Company, who have been most energetic in opening up their mine.

At Greymouth, the Brunner Coal Mining Company have during the past three years extended their workings from 22 acres to 38 acres, with a total output during that time of 49,833 tons. The Coal Pit Heath Company have coal now in the market, and the Greymouth Company have reached the coal in their new shaft, and expect to be at work shortly.

The Green Island Collieries in Otago, which have undergone great development since the opening of the Southern Railway, have been again inspected, and it is found that, although generally speaking these are in good order, they have been hitherto carried on without any working plans, and in such a manner that not more than one-third of the coal will be mined.

In the North Island the coal of the Waikato Basin has been further examined, and from surface indications it appears probable that even a greater extent of coal exists there than has ever been calculated in the most sanguine estimates. The extent, however, can only be settled by boring. Two fresh mines in this district are now bringing coal to market—viz., Rahuipokeka (Ralph's) Mine, at Taupiri, and the Bridgewater Colliery (Foote's), near the Miranda Redoubt. In the latter case, the seam of coal is 55 feet thick, only 18 feet being at present worked.

The Wangarei and Bay of Islands coal has also been examined, and plans of the workings of these and other collieries will be published with the Geological reports this year.

INSPECTION OF MACHINERY.

There is nothing special to remark under this head. The Report of the Chief Inspector is attached, and shows that a great deal of necessary work has been done, and that the department is rather more than supported by the fees charged.

RAILWAYS OPEN FOR TRAFFIC.

This part of the subject has assumed largely increased importance during the past year. Honorable members are aware that on the Abolition of the Provinces Act taking effect, the working of the Canterbury and Otago Railways devolved upon the Government. There have also been considerable additions to the lines open for traffic during the year, as well as new lines opened, and the additional work and responsibility thrown upon the Public Works Department by these changes has been very considerable.

As the Canterbury and Otago Railways came under the charge of the Government at the busiest season of the year, it was determined not to make any immediate change in the system of working. The railways in those districts were accordingly carried on under the same system and staff as before Abolition, and this was continued up to the 30th of June last.