

Bearing in mind the importance of spreading the expenditure of the balance of loan over the next two years, we should have preferred, Sir, to ask for the appropriation of a much smaller sum, but we have not found it possible to do so.

The votes for the various works which we now propose are designed to provide for the expenditure up to 30th June, 1881.

After that date, and until we are again in a position to become borrowers, the only sources whence we can draw supplies for these purposes will be a portion of the proceeds of land sales, and the saving from the estimates for the purchase of Native land, a saving which we have reason to believe may be considerable, but which at present it is impossible to estimate.

I will proceed, Sir, to briefly summarise the works proposed.

RAILWAYS.

The present contract at Kawakawa will be completed, and the remaining part of the line, including a small wharf, will be begun.

The Kamo line will be finished to Limeburners Creek.

The line from Kaipara to Te Awamutu will be completed fit for traffic.

The question of the propriety of constructing the Waikato-Thames Railway has been raised by the Railway Commissioners, who have recommended that it should at present be completed only to the junction with the projected Cambridge line, and that the Cambridge Section of eleven miles should be substituted. The Government intend to have the subject very carefully investigated with a view to determine which proposal will be most beneficial to the country, and will act accordingly. The vote will therefore be proposed in the alternative.

The line between Napier and Makatoko will be completed.

The Wellington and Opaki line will be completed as far as Masterton, and provision made for the unemployed on the extension to Opaki. The station works at Wellington will also be constructed.

The Foxton station and wharf, on the Wellington and Foxton line, will be completed.

Sundry necessary works on the opened lines between Foxton and Kai-Iwi will be executed; and the extension to Waverley, which is in hand, will be finished. The works in the neighbourhood of Carlyle will be proceeded with, giving work to the unemployed.

The contracts between Stratford and Hawera will be pushed on, and the formation to Normanby will probably be completed within the present year.

The extension of the line from Foxhill to Bellgrove, on the Nelson to Greymouth line, will be completed.

The Stillwater Section now in progress will be finished, and the Greymouth Harbour Works carried on.

The Picton and Blenheim line will be completed at the Blenheim end, where there are still some station works unfinished.

The section of the Main Line from Amberley to the Waikari Plains is to be finished; the nine miles through the Weka Pass being reserved for the unemployed. A few urgent station works on the open lines are provided for.

The Waimakariri Gorge portion of the Oxford-Sheffield line, which was reserved for the unemployed about a year ago, will be carried on as the demand for work may require. The extension of the Opawa Branch towards Fairlie Creek will also be carried out by the same means. The Ellesmere Section of the Little River and Akaroa Branch is to be completed.

The only expenditure proposed on the Otago main line is for the completion of the stations and other works now in progress. The Duntroon Branch is to be finished across the Maerewhenua River, the bridge over which is already built.

The formation on the first section of the Livingston Branch, recently resumed to give work to the unemployed, will be finished by them.

The sections of the Western Railways now in progress will be completed.

The Hindon Section of the Otago Central Railway, which was opened to the unemployed about a year ago, will be reserved exclusively for them, as it is now