

The balance of the loan allocation for immigration purposes at the 31st March, 1889, was £3,830, and the expenditure during the year was £867, thus leaving a balance available on the 31st March last of £2,963, against which there are liabilities to the extent of £2,200.

Waterworks on Goldfields.—The balance remaining on the allocation for this class of works at the 31st March, 1889, was £929; of this amount £284 was expended during the year, leaving a balance available at the end of the year of £645, against which there were liabilities to the extent of £241.

Lighthouses.—Cuvier Island lighthouse has been completed, the light being first shown on the 22nd September last. The total cost of the lighthouse and appurtenances was £7,407.

A lighthouse is proposed to be erected on Stephens Island, Cook Strait, where for some time past it has been recognised that a light was much required. The balance of the allocation for lighthouse purposes being insufficient to cover the cost of this work, it is proposed to provide for it out of the Consolidated Fund, and a vote for £3,500, as a first instalment, has accordingly been placed on this year's estimates. The total cost of the work is estimated at about £8,000.

Telegraph Extensions.—The expenditure on account of telegraph construction, and for the extension of the telephone exchanges in the colony, amounted, during last financial year, to £16,346; and of this sum an amount of £3,785 was expended on the telephone exchanges, making their capital cost at the close of the year £63,366, including the value of the material in hand.

Of the new lines erected during the year for the extension of telegraph communication, the most important are those to Lichfield, to Otorohanga, to Mokihinui, to Greendale, and from Ongaonga to Tikokino, from Riversdale to Balfour, from Cardrona to Pembroke, and from Palmerston South to Nenthorn. In all these extensions the lines have been brought into operation by means of telephones.

In the estimates for the present year's expenditure, provision has been made for the extension of the lines from Tologa Bay to Waipiro, Lichfield to Morrinsville, Marton to Hunterville, and for the completion of the line from Mongonui to Kaitaia.

CONCLUSION.

In conclusion, I would again direct the attention of honourable members to the necessity of realising our position when borrowing ceases, a point to which I alluded at the outset. Practically, we are this session dealing with the last of Part I. of the Loan Fund, and this is the source from which we have hitherto paid for a number of works and services that must in future be charged to the Consolidated Fund. Part I. embraces roads of all classes, public buildings, telegraph extension, immigration, purchase of Native lands, harbour defences, and some other minor items.

As already stated by myself, and more fully gone into by my honourable colleague the Premier in his Financial Statement, the expenditure on the purchase of Native lands, and in making roads to open up Crown lands before sale, are legitimate charges on the Land Fund. But the problem of dealing with the other items on the list is a very difficult one to solve. Perhaps the readiest way of showing its bearing is to give the expenditure under each head for the last seven years. It has been as follows:—

Class of Works.	1883-84.	1884-85.	1885-86.	1886-87.	1887-88.	1888-89.	1889-90.	Total for Seven Years	Average per Annum.
	£	£	£	£	£	£	£	£	£
Roads (other than Roads to open up Crown Lands) ..	244,011	267,729	274,110	221,460	158,031	84,486	55,966	1,305,793	186,542
Public Buildings ..	164,376	117,361	86,859	89,598	90,529	34,592	35,473	618,788	88,398
Telegraph Extension ..	19,532	25,799	36,010	18,952	22,984	12,047	16,346	151,670	21,667
Immigration ..	107,041	57,148	11,675	12,454	15,598	8,791	867	213,574	30,511
Harbour Defences ..	7,213	9,601	127,167	139,429	73,459	50,089	7,293	414,251	59,179
Other Items ..	52,917	32,461	40,840	70,290	21,916	20,256	7,710	246,390	35,199
Totals ..	595,090	510,099	576,661	552,183	392,517	210,261	123,655	2,950,466	421,496