

COLONIAL INDUSTRIES.

Another question that has been brought under my notice during the year is the question of using colonial cement. I have had careful experiments made, with the result that the colonial-made article is found to be in many instances equal, and in some cases superior, to that imported.

This being the case the question will naturally arise, why (when the colonial-made article can be procured at the same price as the imported) should there not be a preference given to it, yet, by a return laid on the table of the House, it will be seen that in the construction of public works the amount of imported cement used is at present double that of the colonial-made article. The cement companies employ a large amount of labour, and much capital has been embarked in the industry, and some of the companies have imported the latest and best machinery, and have done everything to improve the manufacture of the article, but they are handicapped inasmuch as the Direct steamships are bringing cement out as ballast and disposing of it in the colony at rates which cannot be regarded as the fair market value of the article. I think the time has now arrived when the colony should definitely decide to use nothing but the colonial cement in the construction of its public works, leaving the competition as to the supply of imported or colonial cement to private individuals.

Another question of a similar nature is the using of galvanised iron in the construction of public buildings. Representations were made to the Government that a firm in Auckland was manufacturing an article quite equal to that imported. On obtaining a report from the Engineer-in-Chief on the subject I ascertained that, from the examination and tests which he had had made, the iron was of exceptionally good quality, and equal to any in the market, and, on his recommendation, an order has been given for several tons of the material, to be used in buildings now in course of construction by the department at Auckland and Wellington. This is what has been done so far, and it is my intention that, so long as the article is supplied at a reasonable price, to give the preference to the colonial make, and thus, while not paying any more for our supplies, we are assisting to provide employment for a large number of persons, and giving practical effect to the wishes of the Legislature when passing the tariff in 1888.

RAILWAYS UNDER CONSTRUCTION

I will now refer to the several railway works that have been under construction during the year in their geographical order from north to south.

KAMO—KAWAKAWA.

The Railways Authorisation and Management Act of last year provided for the extension of the Whangarei—Kamo Railway to Hikurangi. As quickly as possible after last session the survey of the line was put in hand, and was completed before Christmas, and the construction at once commenced. About $4\frac{1}{2}$ miles of the line is now well in hand, and a further length will be taken in hand shortly. Only a small proportion of last year's vote was actually expended within the financial year, and a vote of £20,000 is asked for this year to continue the work. The work is being done entirely on the co-operative principle.

HELENSVILLE NORTHWARDS.

The formation of the Makarau Section (with the exception of the tunnel) is nearly completed, and the tunnel is well in hand. The expenditure on this line last year amounted to £9,376, while liabilities existed at the end of the year to the amount of £13,673. A vote of £15,000 is asked for this year to cover these liabilities and contingent works.

GRAHAMSTOWN—TE AROHA.

The section of this railway between Te Aroha and Paeroa, sanctioned under last year's public works proposals, was put in hand as soon after the close of last session as possible, and the work has proceeded vigorously,—so much so that a