

The winding gear, ropes, machinery, &c., have been ordered from England, and a contract let in the colony for the manufacture of mine-tubs.

Pressing inquiries are already made for coal from our mine. The large demands for the Royal Navy and otherwise made prevented the Railway Department from receiving offers from the private mine-owners for the coal required, and the development, even to meet our own State requirements, will not be a day too soon.

Information as to these works will be found in the report of the Manager of the State Coal-mines, which will be presented to Parliament in due course.

#### NATURAL POWER GENERATING ELECTRICITY.

The conservation to the State of the natural power in our rivers and waterfalls is a matter of grave importance, and I fear we have not done our duty hitherto in conserving to the people those rights which Nature in her bounty has endowed us with. It is true that in the year 1896 we passed an Act under which local authorities could not grant the rights of rivers to corporations or private individuals without the consent of the Governor in Council; beyond that Parliament has done nothing. More recently some of the local authorities applied to the Government for expert assistance, and a preliminary report was obtained on the natural motive powers of the Waimakariri and Rakaia Rivers, the Huka Falls, and other rivers.

It was subsequently decided, considering the importance of the matter, that experts should be asked to report on the question. Negotiations were accordingly entered into by the Agent-General with electrical and hydraulic experts on the Continent and also in America. The terms and limitations of time stipulated by the experts on the Continent practically debarred their acceptance.

I am happy to say that arrangements are almost completed for Mr. Handcock, one of the best American experts, to visit the colony. It was he who installed the system from West County to San Francisco; more recently he has been engaged on installation at the Niagara Falls. A report from him can therefore be safely relied upon, and be of the best advantage to the colony. In the meantime, the Surveyor-General has obtained from the Chief Surveyors in each district the names, the powers, and approximate falls of the various rivers throughout the colony. An officer has been told off to prepare details, so that when Mr. Handcock arrives, we shall be able to place before him in concrete form valuable information respecting the volume and fall of the different rivers. This will enable him to form a general opinion as to the position.

Finally, no one can deny the importance of this matter. Nature has been bountiful in respect to raw products and natural motive powers, and has destined this country to be a self-sustaining one. We have iron, copper, tin, timber, coal, wool, and every essential to the well-being of an industrial world. By utilising the natural motive power in our rivers and streams, this may be developed with enormous results for the good of the country. There is no other country more naturally adapted for industries than New Zealand; it rests with those administering its affairs to aid that which Nature has given us.

#### MANUFACTURES.

Turning now to what New Zealand has made for her own use (that is, goods in the manufacture of which several articles are employed in combination), as well as by the great primary industries: The census of 1886 (the first census at which the information was obtained) shows a total value of £7,436,649 of manufactures produced in the previous year, and that of 1901 a total amounting to £17,141,149 for the year 1900. It must not be lost sight of that the great primary industries of meat-freezing, butter-making, flax and timber milling are included, and that their produce goes to swell the exports already alluded to. A complete table showing the increase of industries from 1885 to 1900 will be found in the Schedules. The following short table will give an idea of the vast strides industries and manufactures have made during the last sixteen years:—