5 E.—3.

Engineers and contractors were alike misled as to the nature of the stone in the hills alongside the railway. This was in practice found to be unfitted for the seafacing, and the alteration in plan involved an additional cost of £3,098, bringing up the cost of the first eight miles, including all charges, with fair proportion of the charges for the Wellington terminus, to £49,713 9s. 7d.

A further length of 27 miles, including the Summit tunnel, is now under contract. Of this length, 6 miles have been very satisfactorily completed by Mr. McKirdy, and will shortly be ready to open for public traffic. The Engineer-in-Chief, and the Superintending Engineer for the North Island, have spent a great deal of time in endeavouring to select the best possible route for this railway, and more especially that portion which crosses the Rimutaka. It has been a work of the most arduous nature, and rendered more so by the necessity for bringing down the cost to the lowest possible amount compatible with a reasonable permanency. An inspection of the contract drawings in the head office will well repay any member who is curious about these matters, and will show how it is that the line is so costly.

The appropriation for this length of the line will be far short of the amount necessary for the completion to Masterton, but more than sufficient to go beyond Featherston, to which point we hope to have the line under contract before this

time next year.

Before leaving the Railways of the North Island, I take the opportunity of stating that during the recess I visited the Waikato with the Engineer-in-Chief, and arranged with him that he should, in company with Mr. Mackay, examine the country between Cambridge and Manawatu, with a view to ascertain its adaptability as a route by which to complete the trunk line through the island. His report is attached, and the House will gather therefrom that it will be unadvisable to proceed, even with the preliminary surveys, until it is known absolutely whether the line can be taken to the westward of Lake Taupo, where it is understood the land over the whole line of country is of a very superior nature to that which would have to be traversed by a railway to the eastward of that lake.

RAILWAYS, MIDDLE ISLAND.

I now come to the Middle Island: and first we have the Picton and Blenheim Railway. During the past six months better progress has been made; and I have the assurance of the contractors that they will continue their exertions to complete the line with as little delay as is practicable. It is much behind the contract time.

The Nelson and Foxhill Railway works have progressed satisfactorily, and the date fixed for completion is November, 1875.

A preliminary survey has been made of the proposed trunk line from Foxhill to the Brunner. The works will be of a heavy nature, and the gradients very severe; but not more so than on some of the other lines now in hand. I shall

refer again to this line presently.

The Westport and Mount Rochfort line has been somewhat delayed for want of a survey staff; but the first section to Fairdown is now about to be let, and the surveys for the completion to Ngakawau are in a forward state. I see no reason why the entire railway should not be completed by the end of 1875, and hope that before the middle of 1875 the permanent harbour works may be put in hand. The commencement of these works depends upon the completion of the contract for the first length, the date of which is August, 1875.

The Greymouth and Brunner line, including the suspension bridge over the Grey River, is in hand; but the railway works are not in such a forward state as was anticipated. This is not the fault of the contractor, but is owing to the necessity which has been found to exist for improving the line over a short length where heavy slips are threatened. The Engineer-in-Chief states that the steps he has taken are sufficient to insure the safety of the line, and the cost of the additions will be met out of the appropriation taken last year; the protective works undertaken have answered all expectations, and have stood the test of some very severe floods.