

Ninety-four miles of the Patea-Manawatu Railway are now open for traffic from Foxton to Kai-iwi, nine miles north of Wanganui, and a further section of thirteen miles is being constructed.

In a few weeks the Stratford contract on the Waitara-Patea line will be finished, and the journey from New Plymouth to Wanganui will then be an affair of one day only.

Surveys are being carefully made north of Carlyle, and this line—desirable for strategic and other reasons—between Waitara and New Plymouth on the North, and Carlyle, the port of Patea, on the South, may be finished at no distant date.

The works on the Wellington-Woodville Railway in the Wairarapa District are being pushed on vigorously. The contract having been abandoned its completion is being carried out by the Public Works Engineers. These works, and the formation on Greytown Branch, are so well advanced, that the line may be open for traffic as far as the latter place early in February.

The Railway Wharf at Wellington, and the Workshops at Petone, are drawing near completion. Machinery for the latter has arrived, and will shortly be placed in position, giving facilities for repairs as well as for the economical manufacture of many articles at present bought at a high rate.

Surveys of the Foxton end of the Wellington-Foxton line are being proceeded with, and some work has been done near Wellington by day labour over a length of nearly five miles.

MIDDLE ISLAND.

The original Public Works scheme for the Middle Island was finished in the last financial year, communication by rail being established between Christchurch and Invercargill. The Western Railways in Southland, however, the construction of which was taken over from the Provincial Government, and some small extensions of the General Government lines, are not yet complete. With the exception of the Riverton-Orepuki Branch, these will all be finished during this financial year.

A connection is being made on the Nelson and Foxhill line with the Port at Nelson, and, inland, an extension of three miles from Foxhill is in progress.

The Picton and Blenheim line is being carried into the Town of Blenheim.

The harbour works at Greymouth, which may be regarded as an adjunct to the railway system, seem, as far as they have been completed, to answer the purpose for which they were intended. From the Engineer's report it would seem that the employment of a dredge has materially facilitated the work and reduced the cost of these improvements.

The works in progress during the year on the Amberley-Bluff Railway consisted chiefly of extensions of stations, workshops at the large towns, and increased wharfage at Port Chalmers.

A large expenditure has been proposed in relaying the main line with heavier rails, but after much consideration it seems inadvisable to do this, as before the present rails could be lifted, most of them will be so much worn that it would not be worth while to put them on another line.

Short extensions are made, or are in progress, of the Malvern, Awamoko, and Green Island Branch lines.

The Waipahi-Tapanui Railway contract was undertaken on terms of payment differing from the usual ones, inasmuch as no progress payments were to be required as the work went on, all payments being deferred until the line was completed. It was thought that the adoption of this method would enable us to indefinitely extend our railway system, and to obtain such an increase of price for Crown lands in the neighbourhood of new lines made under similar conditions as would pay the cost of construction. I grieve to say that these expectations have not been fulfilled. The works, which were pushed on with great vigour for some time, are now almost entirely suspended, and the contractors have stated their inability to finish their contract without progress payments being made to them.