Copy of Mr. H. M.	. Willia	ns's Estimo	ate for Kai	hu Valley R	aih	way			
Grading Wharf, station - gr	ound, e	arthwork,	bush-felling	g, level cros	sin	gs,			
fencing, &c		•••	•••	•••		•••	£29,494	1	6
Permanent-way.—Ballast and							17,269	0	O.
Buildings.—Stationmasters' h									
forms, coal-sheds, carriag		water-supp	oly, smithy,	crane, turn-	tab	le,			
weighing-machine, and to	ols	•••					5,354	0	0.
Rails and Fastenings.—									
53lb. steel	• • •						16,800	0	0
Points and crossings			•••	•••			480	0	O,
Surveys and management				•••			4,500	0	0
$Rolling$ -stock. $lacksymbol{\longrightarrow}$									
3 locomotives	•••			£4,500	0	0			
2 first-class carriages	• • •	•••		600	0	0	•		
3 second-class carriages				800	0	0			
1 composite smoking carrie	age	•••		250	0	0			
2 second-class smoking car	riages	• • • •	• • • •	220	0	0			
60 timber-trucks	•••	***		4,800	0	0			
16 low-side wagons	• • •	•••		1,280	0	0			
6 high-side goods-wagons	•••			480	0	0			
2 goods-trucks	•••			184	0	0			
2 covered goods-trucks	•••			184	0	0			
2 cattle-trucks	•••		* ***	160	0	0			
Tarpaulins	•••	•••		300	0	0			
							13,758	0	0
							£87 655	1	

No. 9 of printed correspondence D.-5c, memorandum from Chairman of railway: He gives my estimate at £59,000, which is asserted to be incorrect, and says Mr. Williams's estimate, after **survey,** is £87,000.

Mr. Williams's estimate was not made after survey; it was made before July, 1883, and although three years have elapsed, and £10,649 have been spent in wharf extension, &c., the surveys are not finished yet.

Mr. Knorpp, in March, 1885, as stated in his report (No. 8, D.-5c), was unable to get sufficient information to enable him to go into earthwork quantities.

In No. 10 of printed correspondence, D.-5c, I see you have been led to conclude that I

have made an incorrect estimate. I would submit that this is not the case.

A good line for timber trade could have been made for the £60,000 if the directors had laid it and the money out economically. 53lb. steel rails, wharf extensions, and the largely excessive amount of rolling-stock they proposed to purchase for the 19½ miles, was not the way to do this.

Herewith also I enclose you a copy of revision of my original estimate that Mr. Dargaville

asked for (see his telegram) in June, 1883.

In fairness to myself I trust that you will see your way to lay this communication with it enclosures upon the table of the House, in continuation of the paper D.-5c, which, without th fuller information herein contained, does not fairly represent my position in this matter, and th instructions upon which my estimate was framed. I have, &c.,

The Hon. the Minister for Public Works.

JAMES E. FULTON.