

KAIHU VALLEY RAILWAY

This line has continued to be worked under the direction of the Public Works Department with fairly satisfactory results, the receipts having a little more than covered the working-expenses.

The Government has learned within the last week or two that there is a prospect of a company being formed to take over the line and work it, and also to provide for its extension further into the kauri forest.

ROADS.

The expenditure on main roads last year was £11,739, with liabilities at the end of the year of £4,945. This year it is proposed to vote a sum of £16,000 for road-works of this class.

There are still several main roads in unsettled districts which it is imperative for the Government to maintain at present, in order to promote settlement and commerce, and that the convenience of travellers may be reasonably met.

On district roads last year the sum of £6,843 was expended, and liabilities existed on the 31st March to the amount of £8,068. This year it is proposed to vote £15,295 for district roads.

Roads to open up Crown lands for sale are of by far the greatest importance. The amount expended last year on roads of this class was £27,993, and on village settlements and roads in connection therewith £3,830. The liabilities at the end of the year were £38,784 and £5,788 respectively, and it is proposed to ask for votes of £88,310 and £5,788.

The area of country to be opened is greater this year than for some years past, owing to settlement being in advance of the roads to give access to the land.

The blocks principally requiring to be opened up are situated in the several provincial districts where settlement is progressing most actively.

There is urgent need for this expenditure in the interests of settlement, for without it settlement cannot advance. It is, of course, well known that the lands now to be occupied are more difficult of access than those already disposed of, and the expense of making roads is therefore greater.

Last year the funds available under the Government Loans to Local Bodies Act could not be made use of during the financial period to the extent allowed by law, because of the preparations necessary to bring the Act into operation, in the way of getting definite information as to the value of the land, and as to the actual roads required in the blocks to be disposed of.

The annual report of the Department of Lands and Survey contains full details of the road-construction work done during the past year. The following are the principal new roads undertaken—Ohakune–Pipiriki, Hunterville–Turangarere–Tokaanu, Tunnel–Karioi, Makairo and Makuri in the Wairarapa, Catlin's–Waikawa, Maruwhenua, and Orepuki–Waiapu. Since the date of the Lands and Survey Report the main road from Hunterville has been completed to Turangarere, and it is expected that the gap existing between Turangarere and Taupo will be finished shortly after the New Year. This will permit coach- and rail-traffic between Wellington and Auckland.

The Ohakune–Pipiriki Road has been under contract during the year, and only 7 miles remain to be finished as a dray-road. In May last a steamer commenced to run between Wanganui and Pipiriki, so that on the completion of the seven miles referred to there will be continuous communication by this route by coach and steamer between Wanganui and Napier.

The Stratford road is now very nearly finished as a dray-road for a distance of 21 miles from Stratford, and it is proposed to push the extension of it vigorously during the coming season at both ends.

A portion of the road from the tunnel on the railway-line to Taumaranui, on the Wanganui River, has been formed for dray-traffic, and some very bad hills have thereby been avoided. It is proposed to continue the construction from 4 miles beyond the tunnel to the junction of the Stratford route.