WAIPARA-CHEVIOT.

The large increase of settlement that has taken place in the Cheviot district justifies me in saying that an extension of the railway from Waipara through Cheviot is very desirable. It will some day form an important part of the main trunk line between Picton and the Bluff, and will in all probability be interest-earning when completed. In accordance with my promise last session, Mr. A. Jack started the survey of this railway in May last, and has completed a trial line to a junction with a previously made survey through the Cheviot Estate. As a good line has been secured instructions have been given for a full detailed survey to be made, so that construction-works can be started as soon as this survey is finished and Parliament has authorised the line. A vote of £6,000 is asked for to begin with.

OTAGO CENTRAL.

The section of this railway between Kokonga and Ranfurly, a distance of 11 miles 25 chains, was opened for public traffic on 14th December last. This makes a length of over seventy-seven miles of the line now complete and open for traffic, of which sixty miles have been opened since the present Government assumed office. When I delivered my Statement last year, the construction of the further section between Ranfurly and Wedderburn had been put in hand. The formation of this length is now rapidly approaching completion, and the laying of the permanent-way will be started in the spring, and the line is expected to be ready for traffic before next winter. Some delay took place before the formation of the further section from Wedderburn to Ida Valley was commenced, as it was thought desirable that the works on the Ranfurly-Wedderburn Section should be in a forward state before any other section was started. The work is now well in hand, however, and is proceeding expedi-In respect to the section beyond, complications arose, inasmuch as the line was surveyed through what appeared to be a natural site for a reservoir, so much needed in Central Otago for mining and agricultural purposes. This necessitated enquiries being made, but, upon the latest information to hand, it has now been decided to proceed with the line as originally surveyed. The vote taken last year was £40,000, and the expenditure and liabilities at the end of the This year the vote proposed is £60,000, and it is year amounted to £30,342. intended to make up for the unavoidable delay of last year, and to proceed vigorously with the sections already in hand, and we also intend shortly to make a commencement with the heavy work in the Poolburn Gorge.

HERIOT EXTENSION.

In my last Statement I mentioned that, subject to a suitable area of land in the district being obtained for settlement, the Government proposed to make a start with the section of this railway extending as far as Edie's, six miles and a quarter from Heriot, and a vote of £2,000 was placed on the estimates to commence the work with. Owing, however, to the land referred to not having been secured, and to the Railways Authorisation Bill, which was to have authorised the construction of the line, not having been passed, no steps could be taken in the matter. The line will again be placed in the Schedule to the Bill this year, and last year's vote is repeated on the estimates.

CATLIN'S RIVER-SEAWARD BUSH.

Petitions have been presented to Parliament praying for the extension of the Catlin's River line towards Seaward Bush, and of the Seaward Bush line towards Catlin's River. The Government considers that it would be desirable to connect these railways, and will accordingly ask authority in the Railways Authorisation Bill to establish the connection. A survey has already been made of the proposed extension from Owaka to Catlin's Bridge (Ratanui), a distance of three miles and a half, and it is proposed to put the construction of this length in hand as soon as the necessary authority has been obtained.

The Seaward Bush Railway was opened for public traffic to the terminal station at Waimahaka on the 9th June last. Some finishing works still