

remained to be done, and a small amount of the work is not yet complete, but will be out of hand shortly. The amount of the vote last year was £10,000, but, owing to the line not being completed quite so soon as expected, only £7,216 was actually expended within the financial year.

The extension to Tokonui, at the Seaward Bush end, a distance of about seven miles, would open up some valuable bush country and a considerable area of land well suited for settlement. No permanent survey of this section has yet been made, but inquiries will be instituted to ascertain its probable cost and the amount of traffic that would be carried over it if constructed. This year we ask for a vote of £12,000 to clear off all liabilities on construction account, and to make a start with the extensions referred to.

#### FOREST HILL.

The work of reducing the grades on the old tramway and converting it into a substantial railway according to present standards has now been completed, the line having been opened for public traffic on the 17th July last. The vote taken for this work last year was £5,000, but only £3,110 was actually expended within the year. A heavy expenditure has since been incurred, however, and a vote of £7,000 is included in the estimates to cover this and all liabilities on construction account.

An extension of the railway for a distance of five miles in the direction of Gore has recently been asked for. The line would traverse easy country, and would probably not cost more than £20,000. No survey of the proposed extension has yet been made, however, but during the recess further inquiries will be made with regard to it.

#### OREPUKI-WAIAU.

Petitions have been received for the construction of a railway from Orepuki to Waiau, and for an alternative line between Waicola and Orawia. I took the opportunity when in Southland recently to pass through this district, and made full inquiries concerning it, and came to the conclusion that the construction of the line from Orepuki would greatly assist in developing the mining, timber, agricultural, and pastoral resources of that important part of the colony. As there is also every reason to believe that there will be a considerable traffic on this extension if constructed, provision will be made for it in the Railways Authorisation Bill, and a vote of £6,000 appears on the estimates to admit of a commencement being made with the work.

#### MIDLAND.

A large amount of work was done on this railway during the year. The construction of the Belgrove section has been completed, the line having been opened for public traffic between Belgrove and Motupiko on 1st March last.

I am sorry to say that the traffic-results on this extension have so far been disappointing; but the receipts would doubtless be largely increased if a further section were constructed up to and for some distance along the Tadmor Valley. A careful trial-survey to determine the respective merits of the Tadmor and Hope Saddle routes for the further extension of this line towards the Buller Valley has been made, but the surveyor's report and plans are not yet in the possession of the Government.

Works at the Greymouth end, between Jackson's and Otira, are rapidly approaching completion. The rails have already been laid over about three-fourths of this length, and will probably be laid to the end of it early in October. Every effort is being made to have the section sufficiently complete to be opened for public traffic by Christmas next.

Considerable work has also been done at the Springfield end of the line. In addition to a large extent of new formation-work, the rails have been laid on about a mile of formation executed by the company. This has been done to facilitate the transport of supplies to the works now in hand. Plans of an iron viaduct over Paterson's Creek, and another over Staircase Gully, are in course of preparation.