

a record, being the largest amount expended on the line in any one year since its inception. For the current year a vote of £250,000 is proposed.

BLenheim—WAIpARA.

The northern end of this railway, from Blenheim to Seddon, is practically finished, the section between Blenheim and Dumgree, 13 miles 21 chains, having already been inspected and passed as safe and fit for public traffic, while the remaining section between Dumgree and Seddon, 2 miles 18 chains, only awaits the completion of the wind-screen on the Awatere Bridge and the station buildings at Seddon. Both works will probably be finished within a few weeks, when the line will be handed over to the Railway Department for regular traffic.

At the southern end the work is proceeding satisfactorily. The earthworks on the first fifteen miles—namely, from Waipara to Skargill—are finished, and the rails are also laid, ten miles of ballasting completed, and a start made with the station buildings. The line will be sufficiently forward to admit of the ensuing season's wool-clip being carried over it, and will be ready to hand over to the Railway Department for regular working during the summer. A tender for the supply of the iron and steel work for the Hurunui Bridge has been accepted. The concrete piers and abutments will be carried out by the Department.

The total expenditure on the Blenheim—Waipara Railway last year, exclusive of the value of permanent-way materials issued to the line, was £48,382, or, inclusive of the latter, £65,823. For the current year an authorisation of £60,000 is proposed.

MIDLAND.

Operations in connection with the Midland Railway were in progress in four different places last year. At the Nelson end of the line, between Motupiko and Tadmor, earthworks have been in hand and about seven miles have been nearly completed, and a contract has recently been let for the bridge over the Motueka River. The bridge is to be completed by the 23rd November, 1903, and will be available for road as well as railway traffic.

Northwards from Reefton a survey has been in progress throughout the year, and is now nearly finished. A very good line has been obtained, the gradients and curves being well within the limits allowed. It will probably cost about £5,000 per mile on an average to construct.

As regards the extension towards Canterbury from Otira, I mentioned in my last Statement that the Government was in communication with railway authorities of the highest standing in America with the view of obtaining a report from an American or Canadian engineer of eminence and experience in the construction of mountain railways. Since that Statement was delivered Mr. Virgil Gay Bogue, of New York, has visited the colony, and has made a careful inspection of the ground, and also familiarised himself with the various plans and other information in the possession of the Government, and has furnished two reports on the matter, which are printed as appendices to this Statement. Briefly summarised, Mr. Bogue's opinion is adverse to the six-mile tunnel project. While admitting that the gradient and curves obtainable on that line are probably better than can be got on any other, and that that line is also the shortest and most direct available, Mr. Bogue nevertheless thinks that the price we should have to pay would be too great for the advantages gained. He has not at present definitely advised the adoption of any particular line; but the suggestions he makes are in the direction of employing a steeper gradient and materially reducing the length of the summit tunnel.

To enable Mr. Bogue to express an authoritative and final opinion on the subject, further surveys are now being made, which will take some little time so that it will be impossible to lay his matured opinion before the House during the present session.

At the Canterbury end of the railway good progress has been made with the formation. The very heavy earthworks have been practically completed as far as Staircase Gully, or nine and three-quarter miles from Springfield, and a