Government cannot recommend any further allocation of funds to the work until satisfactory arrangements have been made for the acquisition by the State

of one or more of the large estates in the district.

At the southern end the section between Waipara and Scargill—14 miles 59 chains in length—was opened for regular traffic on the 16th December last. The further section between Scargill and the Hurunui River is being proceeded with. The concrete piers and abutments for the Hurunui Bridge, which are being carried out by the Department's own staff, are also in hand and making good progress; and the steel superstructure, which is being manufactured by Messrs. Scott Bros. (Limited), of Christchurch, is well forward. Work is also in hand on a portion of the line on the north side of the Hurunui.

The expenditure on this railway last year amounted to £31,651, and for the

current year a vote of £35,000 is proposed.

MIDLAND.

The work in hand at the Nelson end of this line last year has been continued. The formation is now nearly finished to the site of the combined road and railway bridge over the Motueka River, and rail-laying has recently been started. The bridge referred to is under construction, and several spans are completed; the contract time expires on the twenty-third of this month.

Construction-work was recommenced at the Reefton end of the line during the year, earthworks being put in hand on both sides of the Inangahua River, and contracts let for two bridges over that river—namely, one just beyond Reefton Station, and the other at the Landing. The latter bridge will be available for both road and railway traffic. The contract time for the former bridge

expires in February next, and for the latter in July following.

A considerable amount of survey-work has been done on the Arthur's Pass Section of the line between Springfield and Brunnerton at the instance of Mr. V. G. Bogue, the consulting engineer, who was called in to advise on the selection of the best route, and full information to enable Mr. Bogue to prepare his final report on the matter was sent to New York about a month ago. It is unlikely

that the final report will be received until early in the new year.

A second supplementary report, dated the 27th June last, was received from Mr. Bogue early in August, and is printed as an appendix to this Statement. Some correspondence, more or less of a private character, accompanied this report, which I have not felt at liberty to publish. The report also included some rather elaborate tables and diagrams, the publication of which would have involved expense, and, as they are of a highly technical character, I have deemed it inadvisable to print them. I shall, however, be happy to show the

originals to any honourable member who would like to see them.

At the Springfield end of the railway good progress has been made. The Patterson's Creek Viaduct has been completed, and the formation is now finished to Staircase Gully, and the rails have also been laid up to that point. Tenders for the Staircase Viaduct and the Broken River Bridge have recently been accepted. The Staircase Viaduct will consist of one 60 ft. and two 192 ft. steel-girder spans. The abutments and one pier will be of concrete, and the main pier, which is 160 ft. high, will be of braced steel. The formation beyond the viaduct is now in hand and progressing satisfactorily. The tunnels on this section have been commenced, and with one considerable progress has been made—a heading having been driven through, and the excavation completed to full size for three-fourths of the length, and the lining built for one-fourth.

The total expenditure on the Midland Railway last year amounted to

£39,253. For the current year a vote of £70,000 is proposed.

NGAHERE-BLACKBALL.

The contract for the erection of the large bridge over the Grey River on this line is now making satisfactory progress. The contract time for the completion of the structure expires in April next, but from present appearances it is hardly likely that it will be completed in time.