

This left a balance to the credit of the Ways and Means Account at 31st March, 1918, of 295,540

For the current year it is proposed to provide additional funds as under :—

In terms of section 77, Finance Act, 1917	725,000
Under Finance Act, 1918	2,500,000

Making the total ways and means for 1918–19 .. £3,520,540

The estimated expenditure for public works for the current year (excluding separate accounts having their own ways and means) amounts to £2,460,050, leaving an estimated balance of £1,060,490 to be carried forward to next year (1919–20).

In addition to the amounts described above we have authority to raise the following sums :—

Under the Aid to Water-power Works Act, 1910 ..	£76,000
Under the Waihou and Ohinemuri Rivers Improvement Act, 1910	£50,000

RAILWAY-CONSTRUCTION.

Four short sections were opened for traffic during the year, and construction-work has been carried on with all the labour available at eleven different places. Supplies of rails, steel, and hardwood timber for bridges have been practically unobtainable owing to conditions due to the war, and the absence with the Expeditionary Forces of more than half of the Department's engineers has had the effect of delaying some of the location and survey work, which must be done in advance of construction.

The following sections were completed and handed over to the Railway Department for traffic during the past year :—

	M.	ch.	
Paerata to Patumahoe ..	4	7	(10th December, 1917.)
Matawai to Motuhora ..	4	78	(26th November, 1917.)
Whangamomona to Kohuratahi	4	53	(7th January, 1918.)
Ohakune to Raetihi ..	8	53	(18th December, 1917.)
Total	22	31	

Besides which the Culverden–Waiau Extension (13 miles) and Clyde to Cromwell Section (12½ miles) are sufficiently advanced to permit of train services being run daily over their whole respective lengths.

The total expenditure on railway construction and improvement-work during the last financial year amounted to £607,491, as under :—

Construction of new lines	£ 295,609
Additions to open lines	200,162
Railways Improvement Account	111,720

The following is a summary of the works which have been in progress during the year just closed :—

KAIHU VALLEY.

No construction-work of any nature has been done on this line during the year.

KAWAKAWA–HOKIANGA.

Work has been in progress throughout the year on the 8-mile section between Kaikohe and Okaihau with reduced man-power, but results have been affected by continuous wet weather and frequent slips of the unstable material in cuttings after formation had been completed. A steam-navvy is at work here in a deep clay cutting, showing satisfactory results. It will require about another year's work under prevailing conditions to complete the formation to Okaihau.