1936. NEW ZEALAND.

NAPIER-GISBORNE, SOUTH ISLAND (MAIN TRUNK), AND WESTPORT-INANGAHUA RAILWAYS.

(DEPARTMENTAL REPORTS RELATING TO.)

Presented to both Houses of the General Assembly by Leave.

The Hon. the Minister of Public Works.

Napier-Gisborne Railway.

The position regarding this railway, to my mind, is most unsatisfactory in that £3,559,000 has already been spent on it, and, except for the section Wairoa to Waikokopu (24 miles 35 chains), on which the Public Works Department is operating, the remainder of the line is lying idle and deteriorating. The section Napier to Putorino (38 miles 61 chains) was completed and operated for some time by the Railways Department, but was not opened again after the earthquake of 1931. Construction on the section Putorino to Wairoa was well advanced when the Railways Board reported, only one major job remaining to be done—namely, the erection of the steel on the Mohaka Viaduct, besides the laying of rails and ballast over about eight miles of line. The completion of this section and the repairs on the Napier-Putorino Section would have opened up a length of railway of 96 miles from Napier, and it seems a great pity that this was not done, as it could have been finished at comparatively small cost.

Construction had also started on the section between Waikokopu and Gisborne,

and already £549,000 had been spent.

If the railway were completed through to Gisborne, the isolated section of railway of 49 miles between Gisborne and Motuhora would be connected to the

main-line system of the North Island.

From my inspection of the country served by the railway I am satisfied that with efficient transport and cheap fertilizers it is capable of great development, and think the Railways Board was in error in its estimate of the revenue to the railway. That Board estimated the revenue per mile of railway on the same basis as that on the Waihi-Taneatua line, but statistics of stock, population, and valuations do not bear out the Board's contention. There is much excellent land at Wairoa and Gisborne, particularly at the latter place on the Poverty Bay Flats, covering approximately 100,000 acres, and containing some of the richest land in the Dominion. Other areas evidently included in the Board's category of "inferior" are capable of development, and this is evidenced by the work that has already been done in some areas. One that I looked at is the large block of country at Kotemaori owned by the Crown, and now being worked by the Lands Department. There are tens of thousands of acres of similar land that could be treated in the

Apart from the financial aspect, there is the service the line will give to the district, which is at present indifferently served in its access. There are coastal