

that the wooden rails would have lasted until next year, but the traffic has proved so heavy that it is questionable whether the line can be kept open during the remainder of the winter. The iron rails intended to be used for this line are only now beginning to arrive, but meanwhile a few miles have been borrowed from other lines to enable the re-laying of those portions where the wooden rails were most worn. During next summer the whole will be completed.

The largest additional vote in the North Island is required for the Wellington and Featherston line. I regret that on two of the contracts on this line so much progress has not been made as was expected. The difficulty of carrying on work in the densely timbered country this line passes through, is such that it is very questionable whether the contractors will be able to complete their sections in anything like the contract time. There has been considerable local uneasiness owing to the work not progressing faster, and the Government have been urged to offer bonuses to hasten it. Had the Government found that such a course would have been of any service bonuses would have been readily offered; but as it would not have advanced the work the Government have felt that to make the offer would have been useless.

The nature of the work on this line has proved even more expensive than was contemplated last year, and now that the detail-estimates have been completed it is found that a considerable sum will be required to take the line to Featherston. The Government will ask for £59,000 for the completion of the line to Featherston. This sum will cover a large additional supply of rolling stock ordered from England, also the cost of laying the line all the way through, from the commencement of the heavy works, with rails of 52 lbs. to the yard instead of 40 lbs. The line cannot be completed before the end of 1876—probably the middle of 1877.

The branch connecting the sections now under contract, both on the north and south side of the Wanganui River, with the town—a distance of two miles—will shortly be surveyed. Although not included in the estimated cost of either of the lines on to which it joins, the necessity for its construction, in order to develop traffic on those lines, has always been admitted. The cost of this branch, with the necessary terminal accommodation, has been roughly estimated at £50,000; but an alternative line has lately been suggested which, it is hoped, will very greatly reduce this otherwise almost prohibitive cost.

The line between Wanganui and Manawatu is all surveyed, and those portions not under contract can be let as soon as circumstances render it desirable to do so. This line has proved to be five miles longer than originally estimated for. About 20 miles will be ready to open by April next.

The Waitara and New Plymouth line will probably be opened for traffic in September. The surveys are completed for $13\frac{1}{2}$ miles southwards towards Patea; and from Wanganui northwards a section of $8\frac{1}{2}$ miles is under contract, and a further length is now under survey.

On the Nelson and Foxhill Railway, which is expected to be opened in about three months, it has been found necessary to expend or incur liabilities to the extent of £13,000 beyond the present appropriation. The excess is principally on the three items of fencing, land claims, and bridgework.

On the Picton and Blenheim line there is a large additional expenditure. From the first every endeavour has been made to keep down the cost of this line; but, owing to the heavy floods to which the country through which it passes is liable, much more bridgework has been found necessary. It has also been found necessary to increase the amount of ballast on the whole line. The station accommodation required will cost £9,000 beyond that provided in the original estimates. The cost of rails and land claims has also been £5,000 in excess of the estimated amount. The extra cost of bridging which is found to be necessary to take off the flood waters is about £18,000. The total extra cost will be £40,000; but if the extension from the present temporary terminus into the town of Blenheim is not constructed, only £25,000 will be required. The Government, however, will ask for £40,000.

Next is the Greymouth and Brunnerton Railway; and here again is a practical result of entering upon the construction of railways before detail surveys