

platelaying on the line is now in progress, and it is anticipated that the railway will be opened to Te Aroha about February or March next. At the Thames (or Grahamstown) end of the line, rails have been laid on the $4\frac{1}{2}$ miles previously formed, and the formation of the Hikutaia Section, being a further length of 8 miles towards Te Aroha, is now under contract. The bridges on this length will shortly be erected, and plans will be prepared for the remaining portion of the line to Te Aroha. In addition to these works, it is also proposed during the current year to complete the station accommodation between Morrinsville and Te Aroha, and to generally equip that portion of the railway for traffic.

Hamilton—Cambridge.—This railway, 12 miles in length, was opened for traffic on the 8th October last.

North Island Trunk Railway, Marton—Te Awamutu.—Immediately after the route of this railway was determined upon by Parliament I gave instructions to have the contract surveys put in hand, and the Engineer-in-Chief employed a large staff of surveyors to permanently locate the line, with the result that the department was able to call for tenders in February last for about 15 miles at the northern end and about 13 miles at the southern end. These contracts were let in April last, and the works have been commenced at both ends. About 6 miles of the formation-works of the northern section were retained to be performed by the Maori population resident in the district, and it must be most satisfactory to honourable members to hear that the whole of this work has been taken up in small contracts by these men, and that the works are well in hand; and not only this, but the Natives are pressing the department to let them have contracts for further works on the extensions of this line. It will be my endeavour to comply with their wishes.

The heaviest work on this line is the Purotarau tunnel, between the watersheds of the Mokau and Wanganui Rivers, about 48 miles south of Te Awamutu, and it was considered desirable that this work should be undertaken at an early stage of the proceedings, in order that there may be no delay in continuing the line when the other lighter works are completed up to the tunnel. Tenders were therefore called for this work some months since, and a contract for its completion has recently been let at satisfactory prices.

Tenders have also recently been called for two further sections of this line—that at the northern end being about 12 miles in length, and that at the southern end about 8 miles, and of these the tenders for the southern section have been received and are now being dealt with.

We have already let contracts for three stationmasters' houses along the line, to be used in the meantime as engineers' offices.

On the road from Kihikihi a contract has been let for a bridge to cross the Puniu River, and beyond this a road is now being constructed to give approach to the various works along the northern end of the railway. Some fifty Maoris are at work upon this road by contract.

A survey has been made for a road about 15 miles long, to connect the Purotarau tunnel with the head of the navigation of the Ongarue and Wanganui Rivers, and this work is now being carried out by small contracts. It will be very beneficial in allowing the contractors access to the railway-works, and will also be valuable after the line is complete as a means of opening up the country.

Another road is being laid out from Ranana, on the Wanganui River, to the railway-line where it traverses the Murimotu Plain. There is also a road from Napier, which it may be found advisable to continue inland till it strikes the railway.

A careful survey has been made of the Wanganui River, with the result that, by the expenditure of a comparatively small sum, that river will be made available for steam navigation, and thus ensure easy communication with the railway. A private company has been established to build steamers to work on this river, so there is every probability that by the time the heavier stores are required for the railway the Government will be able to get them up at a moderate cost. The railway will strike the river about 140 miles from the sea, and it is estimated that the necessary work to render the whole length navigable can be done quickly, and at moderate cost. This work has been put in hand. Independently of