

The expenditure on this line last year amounted to £13,688, and a vote of £10,000 is proposed for the current year. If, however, the proposals above referred to are approved, the further amount required will be provided in accordance therewith.

GISBORNE—KARAKA.

As mentioned in my last year's Statement, the section of this line between Gisborne and Ormond was opened for traffic on the 26th June, 1902, and the further section between Ormond and Kaiteratahi was completed and handed over to the Railway Department for traffic on the 10th November following. This brings the line to the left bank of the Waipaoa River. The bridge over that river is being erected by Messrs. J. McLean and Son, of Auckland, and the contract time expires on the 15th March next. Beyond the bridge the formation-works, including a tunnel 10 chains long, are in hand as far as Karaka, and are making good progress. The survey of the projected extension of the line towards Motu will shortly be put in hand.

Last year's expenditure on this railway amounted to £13,428. For the current year we ask for a vote of £15,000.

STRATFORD—KAWAKAWA.

In my last year's Statement I was able to report the completion and opening of the first section of this line to Toko—6 miles 26 chains in length. The formation of the second section—namely, to Oruru—nearly five miles long, has been in hand during the year, and is now approaching completion, and rail-laying will soon be commenced.

The construction of a branch line to a gravel-deposit on the banks of the Patea River, from which the material for the ballasting of the railway will be obtained, has also lately been started.

Beyond Oruru considerable survey-work has been undertaken to definitely determine the best route for the further extension of the line, and the work is still in progress. I hope after the session to have an opportunity of visiting the district, and so be in a better position to deal with the matter when the question of route is ripe for decision.

Last year's expenditure on this railway amounted to £11,810, and for the current year a vote of £10,000 is proposed.

MOUNT EGDMONT BRANCH.

The need of a short branch railway to tap the vast stone deposits on the slopes of Mount Egmont becomes more and more urgent every year. The soil in Taranaki is for the most part a deep rich loam, and stone and gravel are scarce commodities, the result being that both road and railway maintenance become inordinately expensive. The railways are much in need of supplies of good ballast, and the local bodies badly require good metal for the roads. The providing of a ready means of tapping the rock and boulders of the mountain will serve both purposes, and the large amount of traffic that the line will carry from the outset will insure its being a remunerative undertaking, to say nothing of the benefit to the local bodies by reducing the cost of road maintenance in the district. It is therefore proposed to provide for the construction of a branch railway from Waipuku Station on the main line, to the gorge of the Manganui River, on the slopes of the mountain. The section of the line proposed to be constructed at present will be about five miles long, and, exclusive of terminal conveniences and the stone-crushing plant, will probably not cost more than £10,000.

A vote of £5,000 on account is proposed on the current year's estimates.

NORTH ISLAND MAIN TRUNK.

Considerable progress was made on this railway last year. At the northern end of the line regular passenger traffic is now carried on between Auckland and Ongarue, a distance of 160 miles, and the line is also in complete working-order as far as Taumārūnui, fourteen miles further, and it is proposed to open the