

existed as to the best point for the branch to join the main line, three different routes have been surveyed, which has prolonged the work considerably. The surveys are finished and the plans prepared, but the Engineer's report and estimate of cost have not yet been received. The length of the line varies according to the route adopted, ranging from rather less than twenty-two miles to a little more than twenty-six miles. One factor that must carry weight in determining the route is that a railway reserve exists between Eltham and Opunake, so that if that route is adopted no compensation for land will require to be paid. Full information on the matter not being available at present, no decision can yet be come to, and in any case, in view of the large expenditure which is at present taking place in connection with the North Island Main Trunk and other railways, the Government is unable to see its way to recommend Parliament to take in hand the construction of this railway at present.

#### NORTH ISLAND MAIN TRUNK.

A large amount of work has been done on this railway during the past year, the expenditure—£220,519—having been nearly double that of the previous year, and a record for any year since the works were commenced. More work still would have been done but for the exceptionally bad weather experienced in the interior during last summer. The quite unusual rainfall had the effect of keeping the roads in an almost impassable condition, and greatly retarded the progress of the work.

At the north end the rail-head was advanced to Oio, and platelaying is now in progress between that point and Raurimu, 198½ miles from Auckland. The formation-work, including the excavation of two tunnels, between Raurimu and Makatote is being vigorously proceeded with, nearly a thousand men being employed upon this section, and substantial progress is being made. The contract for the Makatote Viaduct, as announced in my last Statement, was let to Messrs. J. and A. Anderson, of Christchurch, in June, 1905, the stipulated date for the completion of the structure being 15th June, 1907. The contractors have erected a very fine workshop for the manufacture of the steelwork, which is now in full swing, and considerable work has also been done on the foundations for the structure. More than half the contract time has expired, however, and much less than half the work has been done.

Arrangements are being made so that the formation-work as far as the viaduct may be finished by the time the structure is completed, and also the mile of line between Makatote and Manganui-o-te-ao, so that as soon as it is practicable to lay the rails across the Makatote Ravine the rail-head can be advanced to Manganui—214 miles from Auckland and 212 miles from Wellington. A contract for the Manganui-o-te-ao Viaduct and some other work was let to Messrs. J. and A. Anderson in July last, the amount being £8,840, and the stipulated date for completion 7th February, 1908.

In October, 1905, arrangements were made to commence work on a central section, with Mr. J. J. Hay, M.A., as Resident Engineer in charge of same, and stationed at Ohakune. A good deal of work on this length has since been done, the whole of the bush having been felled, and a good start made with the earthwork. Much more would have been done but for the unfavourable weather that has been experienced, this section having been particularly affected by the weather-conditions, owing to its being an inland one and approachable only by road. The number of men employed on the section is now over six hundred, and arrangements are being made to materially increase the number.

At the southern end, the section between Taihape and Mataroa has been opened for goods traffic, and the station buildings at the latter township have been completed, also the Mataroa tunnel. The formation has been completed between Mataroa and Turangarere, including the Turangarere Tunnel and the Hautapu Bridge No. 2, and the rails now extend to Turangarere, 177 miles from Wellington. As a consequence of this we are now independent of the Taihape-Turangarere Road, the maintenance of which, owing to the bad weather that has prevailed, has been a troublesome matter. All supplies for the section beyond Turangarere can now be railed up to that point, and, as the road from