

For the time being, however, it is our policy to push railway-construction projects to their natural conclusion only after most careful consideration by both the Department responsible for construction and the Department which, on completion of the work, will be responsible for making the line pay its way as a part of the New Zealand railway system.

RAILWAYS.

During the financial year a 7 miles 65 chains section of the Waiuku Branch Railway was completed and handed over to the Railway Department.

The two outstanding achievements have been the completion of the gap between railheads on the line running north from Auckland and south from Bay of Islands and Whangarei, thus linking to the North Island Main Trunk system 200 miles of railway system north of Auckland; while in the South Island the east and west coast railway systems have been connected; and general railway traffic established in both these cases.

The attached table shows 4 miles 54 chains of railway as being actually handed over to the Working Railways Department since the 31st March. In addition, rails were actually laid over 66 miles 35 chains of the 287 miles 46 chains now in course of construction. General traffic is being run by the Public Works Department over 103 miles 60 chains of line, and in addition goods traffic only is being run over 25 miles 68 chains of line. 14 miles 29 chains are now under inspection with a view to handing over to the Working Railways Department, and within six months a further 18½ miles will be ready for handing over.

The general advancement of work on other sections is such that it is expected that within one year a further 82 miles will be ready for handing over to the Working Railways Department, and within two years a further 149½ miles.

As I indicate later, in a reference to the particular section of railway, arrangements have been made for the invitation of tenders for construction of the Aongatete, Apata, and Te Puna Sections of the Tauranga Westwards Railway, a total length of 18 miles 18 chains.

The reasons for this step are twofold. First, it is always desirable that a constructional Department such as the Public Works Department should have the opportunity from time to time of proving that its own methods of construction and its costs of carrying out work are satisfactory. Secondly, the creation of an equipment of mechanical apparatus and plant to enable every work to be taken in hand under concentration methods would involve the purchase of an amount of equipment which could not be continuously used. The letting of a contract to a big construction company would avoid the necessity of the Government providing the plant, as it would have to do if it undertook the work itself. Furthermore, it is highly desirable that the 50 miles of completed railway from Tauranga eastwards, on which traffic is at present being run by the Public Works Department, should be connected with the North Island railway system at as early a date as possible, and a satisfactory contract for the 18-mile section in question will, it is hoped, enable this to be done. The Government will not, of course, consider the letting of a contract unless the best tender received is entirely satisfactory both as to price and guarantee of performance of contract.

It must not be assumed from the foregoing that it is the intention to abandon the co-operative-contract system by which so many of our works of great importance have been constructed. This system, so long as its cost is adequately checked, has many advantages, and will be continued particularly for the employment of those men who have stood by the Department for years in its pioneering and have done excellent work often under most adverse conditions. While on this subject I should like to emphasize the continued effort that is being made to improve, wherever possible, the working and living conditions of these men. Construction-works in back country inevitably mean somewhat primitive conditions, and it is only by providing reasonable conditions of comfort and the opportunity of social amenities for the men and their families that the best men can be attracted to and retained on the works.

It has been the practice in the past to include in the Minister's Statement a mass of detail of work done during the year on each section of railway. Full particulars of all this are to be found in the report of the Engineer-in-Chief, to which I refer honourable members.