

Westland	...	...	7 miles 23 chains	Appropriation	...	£74,400
Nelson	...	...	38 " 20 "	"	...	222,000
Marlborough	...	...	18 " 53 "	"	...	126,000
Canterbury	...	...	251 " 34 "	"	...	1,160,000
Otago	...	...	332 " 4 "	"	...	2,065,000
General (Surveys)	...	...	...	"	...	10,000
Total	...	...	1,010 miles 48 chains ...	...	...	£5,575,400

Of which, there are—

89 miles 58 chains	open for traffic.
57 " 74 "	complete, ready for traffic.
103 " 65 "	plate-laying going on.
421 " 45 "	length under contract in course of completion.

Giving a total length undertaken of 673 miles 02 chains.
In addition to which there are still to be let 337 " 46 "

Making a total, as stated above, of 1,010 miles 48 chains.

The expenditure and liabilities incurred for railways completed or in hand amount to £3,660,881, leaving £1,914,519 for which no liabilities have yet been incurred.

This, Sir, I take leave to think, is a very satisfactory result for the working of the department so far; and although it might have been possible to have forced more work on the market, I think the House will agree with me in believing that it would have been very unadvisable in the interest of the colony to have done so.

Speaking generally, with reference to the cost of the railways authorized by Parliament, it has been found that, with few exceptions, the amount already appropriated will be found sufficient for their completion. Owing to the great fluctuation in the cost of iron in England, it may, however, be necessary to group the railways in each of the various provinces in order to make the appropriations cover the cost, as against some lines the permanent way has been charged altogether at the higher rates, whilst the others have obtained all the benefit of the lower rates.

Before leaving the subject of railways, there is the question of working the traffic on them to be referred to.

The first piece of line which is being worked by the Colonial Government is that from Auckland to Onehunga. This was opened before it was completed, and the best arrangement which was found practicable was made with Messrs. Brogden, who organized the staff and commenced to work the line. From the traffic receipts, the details of which will be found in the tables attached to this Statement, it will be seen that there is a large amount of traffic, and there is no doubt whatever that the line will pay very well; the receipts during seven months have been £4,834 9s. 3d.

The line from Wellington to the Hutt has been opened since April; and I think that, considering the present temporary terminus is so far out of the town and the line so short, it is astonishing that there should be so much traffic on it as there is.

There is no reason to doubt that this line will pay, and each section after the Hutt River is crossed will materially increase its paying capabilities.

The fragmentary portions of the lines which have been opened in the Provinces of Canterbury and Otago are for the present being respectively worked by the Provincial Governments. Attached are statements of the traffic, as furnished by those Governments, and with them the returns of the traffic on the Canterbury and Otago provincial railways. This information will, I trust, be found interesting to honorable members.

I will here add, Sir, that the erection of large workshops is being pressed forward in Auckland and Dunedin, and I trust in a few months the department will be in a position to execute not only repairs, but also to fit up and complete a considerable amount of rolling stock, which must meanwhile be imported from England.