

It will be seen, from these reports and the maps attached to them, that although the waters of the Kaipara afford a large amount of accommodation for the shipment of timber, both to our own ports and to those outside the colony, still there is a large tract of heavily-timbered country, as well as a considerable area of rich agricultural land, situated in the valleys all through the district, that, from the contour of the country, can never be accommodated from the seaboard, and therefore can only be brought into communication with a market by railway.

It is proved beyond doubt that the heavy timber grown in the neighbourhood of the railway between Auckland and Helensville, as well as that brought by water to Helensville, can be carried to Auckland at a rate which pays the railway and the timber-owners, and that it is to this traffic we have to look for revenue, for many years to come, to make the railway remunerative.

The Government is therefore of opinion that this railway should be extended from Helensville northwards, and that the extension should be steady and gradual, constructing a short length annually, so that, as the timber is cut away from those localities that now feed the railway, the line should reach successive areas of forest lands, tapping each one in turn; and with that view it is intended to ask for a vote to enable the line to be continued to Kaukapakapa, saving several miles of tortuous navigation of the Kaipara River with all the heavy timber which is now brought to Helensville for the Auckland market. The line can then be continued up the valley of the Kaukapakapa till it reaches a very large and valuable kauri bush about 9 miles distant, and thence onward by way of Wellsford, Port Albert, Kaiwaka, Maungaturoto, Maungakaramaea, Wairoa Falls, Maungakahia Valley, Kaikohe, and the Omapere Lake, to the head of the Hokianga River. It will be seen from the Engineer's report that the line will not be a costly one to construct, and that it will provide direct communication with a very large amount of land now in the hands of the Government, as well as a large tract of other lands which will yield a good paying traffic to the railway when constructed.

In connection with the surveys for this railway, I desire to take this opportunity of conveying my thanks to Mr. Mitchelson, the member for Marsden, for the pains he has taken in communicating to the engineers engaged all possible information which could in any way be useful to them in the very difficult task of determining the best route to be adopted.

A map has been carefully prepared, and copies of it will be attached to this Statement, showing the various lines of route explored, and also, by distinguishing colours, the areas respectively of Crown lands and purchased lands adjacent to the railway, and how much of same is forest.

The reports, amongst other things, show conclusively that the railway from Kawakawa to Whangarei cannot at any time form a portion of the main trunk line, and therefore other provision will have to be made for it.

*Kaipara-Waikato.*—On the portion of this railway between Helensville and Auckland many of the sharp curves and steep grades have been improved, and considerable progress has been made in the new passenger station at Auckland, which will, I hope, be finished in November next.

On the portion between Auckland and Te Awamutu several improvements have been carried out at the way-side stations.

In connection with the proposed Huntly branch line for the purpose of developing coal fields at Taupiri, surveys and plans are now in hand with the view of inviting tenders for the bridge over the Waikato, as soon as a contract is made with the Waikato Coal Company, as directed by the Railways Authorization Act of last session.

*Waikato-Thames.*—At the time that my Public Works Statement was made last year this railway was completed and opened for traffic from Hamilton to Morrinsville, 18 miles; and the formation of the section from Morrinsville to Te Aroha, 12 miles, and also the construction of the bridge over the Thames River was in hand. Since that date these works have been completed, and the