

loan allocation, £40,350, but the vote required for actual expenditure within the year will be only £10,000.

NORTH ISLAND TRUNK RAILWAY.

I now come to the most difficult case which we have to deal with, namely, the North Island Trunk Railway.

North End.—At the north end the railway is finished to the Upper Mokau Valley, a distance of 34 miles from Te Awamutu, and the Poro-o-tarao section, between the 45th to the 47th mile, including tunnel, is approaching completion. Between the Upper Mokau Valley and Poro-o-tarao section, 11 miles, the contract survey is completed, but no work has as yet been done.

South End.—At the south end no works or surveys have been done since the date of my last Statement, so that the line remains as there described, namely, from Marton to Rangitira, 19 miles completed and opened for traffic; working surveys finished from thence to the end of the Paengaroa Section, 32 miles; and line located from thence for 10 miles to the head of the Hautapu Valley, which is the end of the rough country; total, 61 miles.

Connection with New Plymouth.—During the recess surveys have been undertaken (under the vote for "Surveys of New Lines of Railway") for the purpose of ascertaining the probable cost of connecting the New Plymouth District with the Central Line, and, as the result of this, detailed preliminary surveys have been made of two alternative routes. A special report on this subject, together with a map showing the several routes, will be laid before you.

The two routes surveyed are the Ngaire and the Waitara routes.

The Ngaire line leaves the Foxton-New Plymouth Railway near Eltham Station, and, traversing successively the Makuri, Mangaotuku, Wangamomona, Tangarakau, Heao, and Ohura valleys, merges into the central route in the Ongaruhe Valley, at a point 25 miles from Upper Mokau, and 160 from Auckland. The Waitara line follows up the coast from Waitara to the Mimi River, and then strikes inland up the Mimi Valley and across the intervening ranges into the Tangarakau watershed, where it joins the Ngaire route.

The Waitara line would be exceedingly costly: about 15 miles in the Mimi and Waitara watersheds are by far the heaviest yet surveyed in the North Island, and after leaving the coast no settlement-country is opened up. For these and other reasons it is unnecessary to give further consideration to this route.

The Ngaire line on the other hand is quite feasible: 15 miles in the Tangarakau Valley are very heavy, but the whole of the remainder is moderate or easy. The average cost per mile for the 103 miles between Eltham and Ongaruhe is £8,800. There is no exceptionally heavy work in the shape of tunnels or viaducts. The general direction of the line is straight, the altitudes are low, and the gradients and curves are easy. Comparing it with the central route, the distances to Auckland from the principal centres in the south would be as follow:—

To Auckland.	By Central Route.	By Taranaki Route.
From Napier <i>via</i> Palmerston	453 miles	500 miles
From Wellington	433 "	480 "
From Wanganui	350 "	335 "
From New Plymouth	451 "	298 "

The expenditure on the North Island Trunk Railway to date, exclusive of the purchase of Native lands, and charges and expenses of raising loans, has been in round numbers—

At the north end	....	....	....	....	£245,000
At the south end	....	....	....	....	167,000
Total	....	....	....	....	<u>£412,000</u>

The estimated cost of connecting Wellington with Auckland by the several