

Westport harbour-works. Offers have been received from eligible parties to construct this railway as a private enterprise; but, in view of the fact that it is an important adjunct to the present line and the harbour-works, it is not considered advisable to allow the line to pass into private hands. In order to fulfil the conditions in the coal leases, which provide for a certain output of coal in a given time, it is absolutely necessary that the line should be made forthwith.

Greymouth-Hokitika.—The principal work in progress on the Greymouth-Hokitika Railway during 1889-90 was the Teremakau Bridge, and it was completed early in the year. A contract was prepared to absorb the greater portion of the vote of last session, but on consideration it was decided to postpone further action till the negotiations for the completion of the line by the Midland Company had come to an issue. In consequence of the matter having to be referred to England these negotiations occupied a considerable time. The terms offered by the company were not favourable, and as they included the leasing of the Brunner line, and other concessions, they were not accepted. To lease the latter railway would carry with it the administration of the harbour and, generally, the trade of Greymouth; so it should not be transferred to a private company except on the most favourable terms.

Mount Somers Branch.—The extension of the Mount Somers Branch Railway to Springburn having been completed, it is not proposed to extend the line any further for the present.

Otago Central.—The first section of the Otago Central Railway from Chain Hills to Hindon, 17 miles, was handed over to the Railway Commissioners and opened for traffic in October, 1889. The rails are laid to the 29th mile, and the formation is complete right up to Middlemarch, at the 40th mile—that is, 48 miles from Dunedin. All the large bridges are finished, except those over Castle Creek and the Sutton Stream. There is only one span in each of them, and the girders are nearly ready. The small bridges and other works on the Middlemarch Section are also fast approaching completion. It is therefore expected that this long-delayed work will be finished and the line opened to Middlemarch before Christmas, which is the time for completion mentioned in last year's Statement.

Catlin's River.—A contract has been entered into for the completion of the Catlin's River line from the present terminus at Romahapa to McDonald's Saddle, a distance of $6\frac{1}{4}$ miles, and the works are progressing favourably. The present contract carries the railway to the northern side of McDonald's Saddle—the watershed of the Glenoamaru and Owake Streams. This is not a very convenient stopping-place, so it is proposed to extend the line through the saddle to the Owake side, which will absorb all the available funds.

Edendale-Fortrose.—The section of the Edendale-Fortrose line between Wyndham and Glenham Road crossing has been finished and opened for traffic.

Midland Railway.—Although not a Government line, it is advisable that I should state the position of the Midland Railway-works. On the West Coast-Nelson line the section between Brunnerton and Ngahere—8 miles—has been opened for traffic; and the remainder of the distance to Reefton—18 miles—is under construction and progressing rapidly. On the East and West Coast line the section between Stillwater Junction and Kaimata is completed, and a further section of $1\frac{1}{2}$ miles is in progress. A contract has also been entered into for 6 miles at the Springfield end.

The Midland Railway Company have applied for permission to divert the line from the west to the east side of Lake Brunner. The reason given by the company for making the request is that better gradients are obtainable and more good land opened up. The deviation will affect the line for a distance of 18 miles. We are advised that it is doubtful whether the contract admits of such a wide departure from the original line, so it has been agreed to refer the matter to Parliament. The company also applied for permission to substitute a rack railway on the Abt system for an ordinary locomotive line over the Spooner Range at the Nelson end, but the Government did not see its way to agree to recommend the House to grant the request, as it was not considered desirable to make such a radical change in the class of railway to be constructed.