

This leaves a balance to the credit of the Ways and Means Account at the end of the year of	£	521,525
For the current year it is proposed to provide additional funds as under :—		
Balance of authorized loan-money still to be raised—		
Under the Aid to Public Works and Land for Settlements Act, 1914		45,100
Under the Finance Act, 1916, section 49 (Public Works)		700,000
Under the Finance Act, 1917		850,000
Making the total ways and means for 1917–18		<u>£2,116,625</u>

The estimated expenditure for public works for the current year (excluding separate accounts having their own ways and means) amounts to £1,881,715, leaving an estimated balance of £234,910 to be carried forward to next year (1918–19).

In addition to the amounts described above, we have authority to raise the following sums :—

	£	
Under the Aid to Water-power Act, 1910		136,000
Under the Waihou and Ohinemuri Rivers Improvement Act, 1910		50,000

RAILWAY-CONSTRUCTION.

No sections of railway were opened for regular traffic during the financial year. Several sections are, however, almost complete as far as construction is concerned, and on some of them the Public Works Department is running a goods and passenger service.

The total expenditure on railway construction and improvement work during the last financial year amounted to £846,544, as under :—

	£	
Construction of new lines		335,404
Addition to open lines		285,543
Railways Improvement Accounts		225,597

The following is a summary of the works which have been in progress during the year just closed :—

KAIHU VALLEY EXTENSION.

No work has been done on this line during the year, with the exception of a few small repairs to river-protection works.

KAWAKAWA-HOKIANGA.

Work was resumed on the Okaihau Section at the end of September last. Construction-work by co-operative labour is now in progress. One large cutting it is proposed to excavate by means of a steam navy. The navy has been ordered, but has not yet come to hand. Owing to the heavy rainfall experienced during the year floods were frequent, and caused much damage to both railway and roads in the vicinity. The permanent line has been pegged for a further distance of nine miles, and plans for same are nearly completed.

WHANGAREI—NORTH AUCKLAND MAIN TRUNK.

The first four miles of this line are being constructed by contract. The whole of the formation, with the exception of the south approach to the Otaika River bridge and a small cutting, is practically completed. It is expected that the contract will be completed in about three months' time. The scarcity of labour and the bad weather experienced during the last twelve months have greatly interfered with the progress of the work.

Construction-work is in hand by co-operative parties from 4 to 5½ miles.