1936.

NEW ZEALAND.

# NAPIER-GISBORNE, SOUTH ISLAND (MAIN TRUNK), AND WESTPORT-INANGAHUA RAILWAYS.

(DEPARTMENTAL REPORTS RELATING TO.)

*Presented to both Houses of the General Assembly by Leave.*

The Hon. the Minister of Public Works.

## Napier–Gisborne Railway.

THE position regarding this railway, to my mind, is most unsatisfactory in that £3,559,000 has already been spent on it, and, except for the section Wairoa to Waikokopu (24 miles 35 chains), on which the Public Works Department is operating, the remainder of the line is lying idle and deteriorating. The section Napier to Putorino (38 miles 61 chains) was completed and operated for some time by the Railways Department, but was not opened again after the earthquake of 1931. Construction on the section Putorino to Wairoa was well advanced when the Railways Board reported, only one major job remaining to be done—namely, the erection of the steel on the Mohaka Viaduct, besides the laying of rails and ballast over about eight miles of line. The completion of this section and the repairs on the Napier–Putorino Section would have opened up a length of railway of 96 miles from Napier, and it seems a great pity that this was not done, as it could have been finished at comparatively small cost.

Construction had also started on the section between Waikokopu and Gisborne, and already £549,000 had been spent.

If the railway were completed through to Gisborne, the isolated section of railway of 49 miles between Gisborne and Motuhora would be connected to the main-line system of the North Island.

From my inspection of the country served by the railway I am satisfied that with efficient transport and cheap fertilizers it is capable of great development, and think the Railways Board was in error in its estimate of the revenue to the railway. That Board estimated the revenue per mile of railway on the same basis as that on the Waihi–Taneatua line, but statistics of stock, population, and valuations do not bear out the Board's contention. There is much excellent land at Wairoa and Gisborne, particularly at the latter place on the Poverty Bay Flats, covering approximately 100,000 acres, and containing some of the richest land in the Dominion. Other areas evidently included in the Board's category of "inferior" are capable of development, and this is evidenced by the work that has already been done in some areas. One that I looked at is the large block of country at Kotemaori owned by the Crown, and now being worked by the Lands Department. There are tens of thousands of acres of similar land that could be treated in the same way.

Apart from the financial aspect, there is the service the line will give to the district, which is at present indifferently served in its access. There are coastal

ports certainly, but the road transport is in many cases beating the sea transport, and, in regard to passengers, the road caters for most of them, even although it is tortuous and contains several long steep hills. With a railway, the time of travelling would be shortened possibly by two hours or more from Gisborne to Napier, the riding would be more comfortable, and the cost considerably less.

The service-car charge at present is 25s. from Gisborne to Napier, whereas the rail fare would be 17s. 3d. first class and 11s. 9d. second class. The railway should, therefore, be able to get most of the passenger traffic, but there will need to be regulation of transport so that there is no cut-throat competition. The use of the modern rail-car should be an advantage on a line of this nature, as the running-costs would be much cheaper than those of ordinary steam trains for passenger services.

There will certainly be a certain amount of competition for passengers from the air, but I am optimistic enough to think that there will be a big increase in passenger traffic with the advent of a railway, and that the railway, under regulation and with an adequate and suitable time-table, will secure the bulk of this traffic. Moreover, there are certain attractions such as Morere Springs and Lake Waikaremoana that will attract visitors.

To indicate the benefits that the district would derive from a railway service, the Gisborne District Railway Committee had a report prepared [copy attached hereto] in which it was stated that the farmers would obtain lime and manure at greatly reduced rates, that their store sheep would be worth about 4s. per head more after paying railage, and cattle up to 10s. per head, and the cost of wool to Napier would be 6s. 9d. per bale by rail, as against 10s. 11d. by sea. It may be said that the freight on lime and fertilizers would not pay the Railways Department, but the national benefit from the use of these would be considerable from the increased production and the increase in population. The railway would ultimately benefit from the increased trade.

To support my contention that the Railways Board erred in its estimate of revenue from the railway, I would call attention to the following figures taken from the Local Authorities Handbook, 1935. I have taken the country served by the Waihi–Taneatua line as comprising the Tauranga, Whakatane, and Opotiki Counties and the included boroughs, and on the Gisborne–Napier Railway the Waikohu, Cook, and Wairoa Counties, including boroughs. There will, however, be a fair revenue to the latter line from the northern counties of Uawa, Waiapu, and Matakaoa, also the Waikare Riding of the Hawke's Bay County from Eskdale to Putorino :—

*Counties (including Boroughs and Town Boards) served by the Waihi–Taneatua Railway.*

| —— | Population. | Capital Value. | Sheep. | Horses. | Cattle. | Pigs. |
|---|---|---|---|---|---|---|
| | | £ | | | | |
| Tauranga .. .. | 13,440 | 3,548,418 | 93,223 | 3,567 | 82,663 | 20,715 |
| Whakatane .. | 7,990 | 2,887,544 | 50,016 | 2,937 | 71,771 | 20,298 |
| Opotiki .. .. | 5,690 | 2,037,779 | 105,272 | 1,701 | 36,561 | 8,257 |
| | 27,120 | 8,473,741 | 188,511 | 8,205 | 190,995 | 49,270 |

*Counties (including Boroughs and Town Boards) served by the Napier–Gisborne Railway.*

| | | | | | | |
|---|---|---|---|---|---|---|
| | | £ | | | | |
| Waikohu .. .. | 3,680 | 3,886,360 | 652,752 | 2,476 | 86,465 | 1,974 |
| Cook .. .. | 21,830 | 10,320,134 | 729,662 | 3,937 | 101,551 | 5,697 |
| Wairoa .. .. | 7,780 | 4,426,001 | 636,060 | 3,327 | 79,167 | 2,610 |
| | 33,290 | 18,632,495 | 2,018,474 | 9,740 | 267,183 | 10,281 |

*And if the Northern Counties—Uawa, Waiapu, and Matakaoa—were added the figures would be—*

| | | | | | | |
|---|---|---|---|---|---|---|
| | | £ | | | | |
| .. | 42,440 | 24,154,570 | 2,875,181 | 14,273 | 378,170 | 14,350 |

It will be seen from the above figures that the revenue from this district for the railway should be much greater than the Railways Board's estimate. The

Transport Department's estimate of the annual traffic between the two centres is as follows :—

| | |
|---|---|
| Service cars— | |
| Number of passengers, including intermediates .. | 30,000 |
| Revenue .. .. .. .. .. | £25,000 |
| Air services— | |
| Passengers .. .. .. .. .. | 3,400 |
| Revenue .. .. .. .. .. | £6,500 |
| Freight services— | |
| Revenue .. .. .. .. | £17,000 to £20,000 |

In addition, thousands of private motor-cars and tens of thousands of stock travel the road, but of this I have no information.

## Estimates and Construction.

The estimated cost in 1931 to repair the section from Napier to Putorino, and to complete the construction to Gisborne, was £1,526,663, but this requires revision, as a certain amount of deterioration has taken place and the wage-scale has altered. The engineers of this Department have been instructed to revise their estimates of the length Putorino to Gisborne, and arrangements should be made for an inspection and estimate of the work necessary to recondition the length from Napier to Putorino under the control of the Railways Board.

New plant will have to be purchased, particularly for the tunnel-work between Waikokopu and Gisborne. One tunnel alone is 129 chains, and will take probably three years to construct. All the steel for the large viaduct over the Mohaka River is on the ground, and an early start should be made with the erection so that the line can be completed to Wairoa as early as possible, and so become revenue-producing.

I am firmly convinced after my inspection, and with the figures before me, that this line should be proceeded with as early as possible, as it will be an asset to the district and the Dominion, and the possibilities of future development are distinctly promising. It will, of course, be necessary to put through legislation as early as possible and provide funds to enable a commencement to be made.

Attached hereto is a copy of a report from the Lands and Survey Department, which gives a fair indication of the possibilities of the country in the vicinity, and there are many thousands of acres of such class of country along the length between Napier and Wairoa.

It is interesting to note that the interest charges to date on the line amount to over £1,260,000, and the annual interest charge is now over £160,000.

One point that requires attention immediately is the preparation of an estimate of putting in order the length under the control of the Railways Board from Napier to Putorino. The Board in its report mentioned a figure of £45,000, but this will now be probably exceeded, as I understand that no maintenance has been carried out since the earthquake. In May, 1932, authority was issued to my Department by Cabinet to put this length in order to carry goods and stock, but in the following month this authority was cancelled.

It is now necessary to have the estimate made, and I would ask that authority be issued accordingly. The Public Works Department's engineers are preparing estimates of the section from Putorino to Gisborne, and the estimate for the railway section should also be put in hand at once.

21st February, 1936. (Sgd.) C. J. McKenzie.

Kakariki Station, Private Bag, Napier, N.Z., 5th January, 1936.

The Commissioner of Crown Lands, Napier.

*Re* EAST COAST RAILWAY: KAKARIKI SETTLEMENT.

Dear Sir,—

In compliance with request contained in Head Office memo. dated 23rd December, 1935, I beg to submit herewith the following information :—

(1) At the time I was appointed manager of the property, the Department had already commenced developmental work, having spent approximately £7,500 on the cutting and clearing of 6,672 acres of scrub and £3,700 on the grassing of this area during the twelve months prior to March, 1933.

Prior to the Department commencing operations, the property generally was in a very neglected condition, being for the greater part overgrown with fern, scrub, and blackberry, the only attempt—for several years previous—in the way of control of these pests being by indiscriminate burning (without previous cutting), which is, except in rare instances, the very worst method of dealing with these different growths.

Originally—say, about 1912 to 1917—the property was well subdivided by substantial post and wire fences, but partly as a result of lack of attention, but principally due to the indiscriminate burning of standing scrub and fern, the fencing, of which there was roughly about thirty-five miles, had deteriorated, until in 1933 there was less than half a mile which could be described as sheep-proof, and, probably, of about twenty miles very little remained but the wires lying on the ground.

No cultivation of any kind had been carried out for several years—probably since 1921—and what pastures had been laid down then were almost completely exhausted, and the land becoming overgrown with scrub and pimelia or tauwhiriwhiri.

(2) Since taking over the property, the Department has done the following work under the various headings:—

10,690 acres cleared and burned.
10,690 acres grassed.
11 miles of new fencing erected.
24½ miles of original fencing re-erected.
40 chains of drains constructed.
270 acres ploughed, of which 136 acres were land never previously ploughed and 134 acres were of old pastures.

The work in progress at the present time, and which it is hoped to have completed by 31st March 1936, comprises clearing, burning, and grassing 1,200 acres at a cost of £2,000.

(3) See separate statement attached.

(4) I am not in a position to say definitely what the carrying-capacity of the property was when it was taken over by the Department, but upon the authority of the contractor who has done the shearing here every season except two since 1912 (twenty-three years) I can say that for several seasons immediately prior to 1932 the total number of sheep and lambs shorn ranged between 9,000 and 11,000; as the number of lambs would probably range between 2,000 and 2,500, I should estimate that the property was probably carrying 3,000 to 3,500 ewes, with their resultant crop of lambs, and from 4,000 to 5,000 dry sheep, and also about 500 cattle. I was once informed by Mr. F. G. Bee that the largest number of cattle ever running on the property was 800, but a very severe drought and the numbers that escaped into the adjoining rough country reduced this number by more than half.

(5) The number of stock at present on the property is approximately 11,500 grown sheep, 3,000 lambs, 1,350 grown cattle (including 25 dairy cows), and 50 calves; 450 wether lambs were sent to freezing-works at end of last month.

But the property is not at present stocked to its full carrying-capacity. I consider that the present safe carrying-capacity is not less than 14,000 grown sheep and 3,000 lambs besides 1,500 head of cattle, and I estimate that when the property is fully developed and subdivided it should carry, and do well, 20,000 grown sheep and 1,500 station cattle and 400 dairy cows.

In framing my estimate of the future carrying-capacity, I am assuming that the term "fully developed" will be understood to mean fully subdivided and all the available gently undulating and readily accessible ploughable country broken up and laid down in permanent pastures, and a reasonable amount of top-dressing with suitable manures carried out every season. I consider my estimate framed on conservative lines, and, with top-dressing such as is practised in some districts, the carrying-capacity would be very much more than I have estimated.

I should perhaps here interpose that my estimate of the ultimate carrying-capacity is to some extent confirmed by some information I have received from the previously mentioned shearing contractor, who informed me that when he first commenced shearing at Kakariki in 1912 the total number of sheep and lambs shorn was 12,000, and this number gradually increased during the next three or four years to 17,000, and the owner at that time, Mr. Ryder, quite confidently asserted that he would ultimately be shearing 20,000 sheep on the block. Unfortunately, he sold the property before it was fully developed, and the methods subsequently adopted were not conducive to increasing the carrying-capacity.

(6) I consider that the completion of the railway would be of almost incalculable benefit to the block as a whole, and I firmly believe that, with the railway completed or assured, the competition for the various sections would be very keen indeed. I am assuming, of course, that the proposed road commencing at the main road at Block 5, and giving direct access to Blocks 2, 4, 3, and 1, would also be ultimately completed, as this would make for almost direct access to the proposed Kotemaori Railway-station.

As will be realized from my estimate of the carrying-capacity, I consider that not less than 1,200 acres would be suitable for dairying, and I estimate that this area, with up-to-date farming, would carry not less than 400 cows, and possibly 500. I do not suggest that this area should be devoted exclusively to dairying or separated from the other areas and settled as dairy-farms exclusively: with the exception of 100 acres in Block 4, all the dairying-land is adjacent to the main road and railway, and my idea is that dairying would be carried on in conjunction with sheep-farming on each of the several blocks in the suggested subdivision.

(7) My views regarding the advantage to the settlement by the completion of the railway are fairly definite.

First, the success of the settlement is only going to be achieved by a fairly liberal use of phosphatic manures, and it must be recognized that no land responds so well to top-dressing as the class of soil on this block, and cheaper freights will induce top-dressing.

I had the honour of being able to point out to the Hon. Mr. Semple and Mr. McKenzie, Engineer-in-Chief, Public Works Department, some of the areas we have top-dressed as an experiment, and alongside some strips not treated. On that particular block (Block II), instead of being able to carry one dry sheep per acre during the year, we will carry a wet ewe this year and do her lamb well, and, in addition, the block has carried 100 breeding-cows for a good portion of the time since the top-dressing was carried out, while, without the top-dressing, the limit of cattle-carrying capacity of this block of 211 acres would be thirty head of dry cattle. The amount of superphosphate sown on this area only averaged 131 lb. per acre—with a similar top-dressing next year we expect to carry two ewes per acre and fatten all their lambs.

At the present time freight costs us 25s. per ton from Napier (it has been 27s. 6d. until recently). This, on top of 10s. 6d. per ton railage to Napier, is a consideration when the total railage to Kotemaori would probably be only about 15s. per ton. The difference in cost of top-dressing if the railway was completed would amount to about 3s. 4d. per acre per annum on dairying-land and 1s. 8d. per acre on grazing-land top-dressed.

A second advantage, if dairying was carried on to the extent I have suggested, would be in the carriage of milk and cream. It is well recognized that either of these carries much better over long distances by train than by lorry.

For the carriage of stock all the sections are as favourably situated to take advantage of rail transport as they are for road transport.

I am not able to give the cost per rail for the distance from here to Whakatu Freezing-works—about 55 miles—but the lorry charge is 1s. 3d. for lambs and 1s. 6d. to 2s. for sheep. The rail charge, I understand, would be about half, and the difference in condition on arrival at destination would easily equal the rail freight, and be that much more in favour of rail transport.

The advantage of the railway to settlers on this block would be much more evident provided the railway was working at about the time the sections here were selected than it would to older settlers in the district, because, in my opinion, those settlers who have used the road transport for a number of years would require to be educated to the use of the railway, whereas new settlers would, I think, patronize the railway from the commencement as a matter of course.

I might say, in conclusion, that I will welcome a visit from any one interested in the completion of the railway, and will be pleased to show them the results of our work to date.

I have the honour to be, Sir,
Your obedient servant,
(Sgd.) J. B. Monteath, Station Manager.

## KAKARIKI SETTLEMENT.

Statement showing development expenditure as at 31st December, 1935, under various headings as under:—

| | £ |
|---|---|
| Clearing and burning | 11,010 |
| Drainage | 90 |
| Fencing | 4,800 |
| Buildings | 820 |
| Cultivation | 220 |
| Grassing | 6,765 |
| Lime and manure | 375 |
| Survey and roading | 1,025 |
| Administration | 1,670 |
| Purchase price of freehold and leasehold areas | £24,000 13s. 4d. |
| Total area | 19,287 acres 3 roods. |
| Area being developed | 14,600 acres. |

## SOUTH ISLAND MAIN TRUNK RAILWAY.

Hon. Minister of Public Works.

At the present time the railway is in operation from Christchurch to Parnassus, a distance of 85 miles, at the south end, and from Picton to Wharanui, a distance of 56 miles, at the north end, leaving a gap of approximately 76 miles between the open sections. At the northern end formation is practically completed from Wharanui to the Clarence Bridge, the length of this section being 20 miles, and rails have actually been laid to Washdyke Stream, 14 miles beyond Wharanui, although there is still a considerable amount of work to do at the Blue Slip, 61 miles 50 chains, this being the most difficult problem on this section.

From the Clarence Bridge to the Ohau Bluff, formation was in hand over a distance of 10 miles. At the south end formation was well in hand from Parnassus to the Conway, a distance of approximately 6 miles, while beyond the Conway 10 miles of formation is about 50 per cent. complete.

Between these two points on the north and south ends respectively there is a gap of 30 miles, on which no work other than survey has been carried out.

The estimated cost of completing the construction work, platelaying, &c., at the time of closing down was £2,166,087. To this must be added the sum necessary to replace the rails, sleepers, plant, machinery, and workers' accommodation which has been transferred or sold since the works closed down, as well as the cost of reconditioning and clearing up the formation previously completed. An approximate estimate of this work amounts to £100,000.

Another factor which requires to be taken into consideration is the training of the personnel which is going to undertake construction. When this work was closed down, and when public works were so drastically reduced during the depression, the great majority of our experienced workmen, overseers, and a great deal of the staff were scattered to the four winds. A great many found other occupations, and no doubt many will return to the Department, possibly to a certain extent demoralized by the trials that they have undergone during that period. It will take some little time to build up the morale, and there will be a certain amount of trouble and difficulty experienced in getting back to our old standard of effort. This will undoubtedly add to the cost of construction, but to what extent it is very difficult to say, and it cannot at the present time be computed in figures.

It must also be remembered that the estimated cost of construction is now dependent on the wages and conditions as laid down in the new workers' agreement. This will increase the cost over and above the estimate of £2,166,087 given above by approximately 5 per cent., making the estimate now £2,300,000.

The existing Christchurch–Parnassus and Picton–Wharanui Sections are, in their present condition, not generally suitable for main-line express traffic, and in June, 1931, the Railways Department prepared an estimate for track-relaying, bridge-strengthening, provision of signalling facilities and terminal facilities at Picton. The estimate for a complete job to a first-class standard was £590,000, but alternatives costing a lesser sum were provided for. As considerable alterations have taken place in railway traffic conditions since that date, the Minister of Railways has been asked to obtain a further report on the basis of present-day conditions.

In considering if this line of railway should be prosecuted, it is necessary to decide whether the objective is simply to complete the gap and link up the present isolated sections at the north end with the main systems or whether, on the other hand, an endeavour should be made to compete with the existing ferry service and goods transport between Lyttelton and Wellington by means of a rail-ferry between the terminal ports of Picton and Wellington. In considering this latter aspect, the question arises as to whether such rail-ferry should run from Picton or whether a harbour should be constructed at Clifford Bay, which would, of course, considerably shorten the distance between Christchurch and Wellington as compared with the Christchurch–Picton–Wellington route.

A considerable amount of information has been collected and surveys carried out in connection with the establishment of a completely new harbour at Clifford Bay, and, although there is not sufficient information to enable a definite estimate to be prepared, there is no doubt that the cost would be at least a £1,000,000. The proposition would involve the construction of a modern breakwater port, with all the necessary wharves, stores, loading facilities, &c., and, in addition, it would be necessary to practically create a new town to house and cater for the workmen, tradesmen, &c., who would be employed there and on the various other activities which are always a part of every community.

I am of the opinion, however, that there is a very considerable doubt as to whether the railway will be able to secure sufficient of the inter-Island passenger traffic to warrant the construction of a new harbour such as this, and I think that the proper course if the construction of the railway is decided on would be to first of all complete the gap, and then, if the position warranted it, institute rail-ferries for goods and passengers between Picton and Wellington. If the prospects of traffic then justified it there would be ample time to consider the establishment of a port at Clifford Bay. To rush into the construction of a port such as this at the present time, when we are passing through such changing phases in regard to transport, does not appear to me to be justified.

It would seem, therefore, that the primary objects to be achieved in closing the gap are—

(1) To link up two isolated railway systems with the prospect later on of connecting the North and South Island systems by train-ferry if justified :
(2) To bring the very fertile Province of Marlborough in closer touch with the markets for its primary produce :
(3) To provide an alternative route between South Island stations and Wellington for those who are averse to the longer sea journey via Lyttelton.

The Marlborough and Canterbury Progress Leagues have produced a very impressive array of figures to prove that the line could be constructed as a commercial proposition, and they are undoubtedly to be commended for the very thorough way in which they have prepared these figures. On the other hand, I think that their anticipations in regard to the passenger traffic are optimistic, and I doubt very much whether even 50 per cent. of the passengers at present travelling by the ferry would abandon that method in favour of the combined rail and sea service, while the increasing popularity of air transport will no doubt considerably affect the passenger services.

In regard to the Progress League's figures relating to stock and farm-produce, together with the estimated yearly betterment, I have asked the Department of Agriculture to let me have their comments, and I attach a copy of these. You will see that they strongly support the Progress League's contentions regarding stock traffic, increase in production, and the undoubted advantages to be derived by the primary producers of Marlborough.

About five years ago the Railways Department prepared figures dealing with the estimated revenue and expenditure under the then conditions, and considered the question of establishing rail-ferries for inter-Island traffic.

Since that time conditions have altered considerably, particularly in regard to the use of rail-cars and fast freight services, and the General Manager therefore desires to examine the question further, and to that end he has appointed a committee to draw up a report. The question of possible revenue to be obtained from the construction of this line, and the cost of operation, is entirely one for the Railways Department, and when investigations into these matters are completed you will have, with this report and the report of the Department of Agriculture, all that is needed to decide whether or not this line should be constructed.

(Sgd.) J. Wood.

26th March, 1936.

[Copy.]

Department of Agriculture, Fields Division,
From Fields Superintentent, Christchurch,
9th March, 1936.

The Director, Fields Division, Department of Agriculture, Wellington.

SOUTH ISLAND MAIN TRUNK RAILWAY: PARNASSUS–WHARANUI SECTION.

*Re* your memorandum 84/9/78 of 5th instant:—

I have perused the report enclosed, and have to state that during its compilation in 1931 several of those associated with it referred various statements contained therein to me for inquiry and verification, and in my opinion the statements made can be considered reliable, but generally of a conservative nature.

I pointed out at the time that the development of Marlborough would be along the lines of an increased sheep and beef-cattle population on somewhat smaller holdings, with a decided increase in the number of ewes carried, combined with increased production of grain and small seeds. I never considered dairying very seriously in Marlborough except at places like Kaikoura and Rai Valley, as the general outlook of the Marlborough farmer is towards sheep and seeds. The completion of the line would not, in my opinion, lead to an increase in dairy-farming.

Sheep-farming and cattle-raising would benefit very greatly from the completion of the railway. At present there is great loss of stock on the long and difficult journey to Canterbury, and the general deterioration of the stock on the journey is most marked. I have seen fat sheep when they left Ward, and about three weeks later saw the same sheep at Waiau, when they were only rather indifferent stores, and their general appearance was most unattractive.

There is room for a greatly increased number of beef cattle in Marlborough, but without railway communication little development will take place. Pigs do exceptionally well in the district, and pigs on lucerne areas should prove a very payable proposition if railway transport were available.

In connection with Appendix B, I wish to state that I was able to verify most of this information in 1931, with the assistance of several of the most reliable runholders in Marlborough. I may mention, however, that according to their statements Appendix B was altogether too conservative. In later investigations I formed somewhat the same opinion, except that I could not get reliable data in connection with the number of cattle travelling from Marlborough to Canterbury each year. From information placed before me it seemed that approximately 10,000 head went from North of the Clarence River, and there could not be 5,000 from South Marlborough, as there are only supposed to be about 10,000 head of cattle all counted in the Kaikoura County. I know, of course, that a number of cattle at present travel through the back country to Hanmer to escape the knocking-about they get on the main road. This apparent discrepancy in the number of cattle travelling to Canterbury annually is a mere detail, but I thought I would mention it.

Mr. Charles Murray, of Wharanui, had thoroughly investigated the position, and stated in 1931 that there was annually a surplus of 300,000 sheep, and these had to go to Canterbury. He estimated the loss from his own experience at 5s. per head, and gave me numerous instances where it had been considerably more.

Stock fatten readily in the Marlborough Province, and splendid lambs are produced, and also excellent beef. Owing to isolation farmers can only command very moderate prices for their stock, and this has led to stagnation and general indifference in many quarters.

Farmers are not using fertilizers or lime to any extent owing to the high price of these commodities, but with railway facilities all this would be altered and the production of the district vastly increased, as there is no question about the capability of the district to produce increased yields of seeds and grain and also to greatly increase the number of stock carried.

It has often been mentioned to me by Marlborough farmers that owing to isolation they have to sell the production of their farms in the cheapest market, but all their requirements have to be purchased in the dearest one. From inquiries made and things I have personally seen there is no doubt that this is substantially correct. Such a state of affairs has had a bad effect on even the most progressive farmers.

At the present time motor transport seems to be in a chaotic condition in the district. I am informed that there is actually no fixed scale of charges, much cutting, and most lines are insolvent and unreliable.

From facts placed before me I feel quite sure that the railway would at least pay all expenses and perhaps do a great deal more, but all the production of Marlborough for transport south would have to go by rail, and farmers should be asked to give an undertaking that their stock and farm-produce

generally would be sent by train and not by motor-lorry, and also that their inward goods would be carried by train. This, combined with a light, fast passenger-service between Blenheim and Christchurch, should place the line on quite a good financial footing. There would also be considerable traffic during the summer and autumn in the form of special passenger excursions, as the east coast of the Marlborough Province possesses a most genial climate, and Kaikoura is a splendid holiday resort.

I return herewith statement forwarded by you.

(Sgd.) R. McGillivray, Fields Superintendent.

## WESTPORT–INANGAHUA RAILWAY.

Hon. Minister of Public Works.

The total length of this line from Westport to Inangahua Junction is 27 miles 6 chains. From Westport to Te Kuha, a distance of 5 miles 74 chains, the line was completed and handed over to the Railways Department in 1912, but owing to its being only a short isolated length the traffic was almost negligible. In 1911 a vigorous construction policy was initiated, and the work was carried on partly by co-operative contract and partly by special contract, the principle of letting small special contracts to parties of workmen or regular contractors being put into successful operation, some eighteen contracts being let.

Under this system the formation from 5 miles 74 chains to 10 miles was practically completed, but no bridging, platelaying, or ballasting was put in hand. The formation on this length was exceedingly heavy, and included three tunnels; this work was closed down in 1916, and from then for ten years nothing further was done until in 1926 the section to 8 miles 76 chains was put in hand and completed the following year, to give access to the newly opened Cascade Creek Coal-mine. Although the Railways Department handled the traffic from the Cascade Mine, it did not seem advisable, in view of the prospect of proceeding with the Cascade Bridge construction further ahead, to hand this section over to the Railways Department.

In 1928 the construction of the section from Cascade Creek at 8 miles 76 chains to Inangahua Junction was proceeded with vigorously, and approximately 350 men were employed. Extensive provision for housing the workmen, recreation facilities, and social services were provided, and plant and machinery purchased, and good progress had been made with the formation up to about the 25 miles, when work was closed down in 1931.

With the exception of Little Cascade Bridge, however, very little bridge-work was carried out owing to access difficulties; at the time of closing down the cylinders for the piers of the Big Cascade Bridge were completed, and the steelwork was ready for erection. This is now stacked in the Te Kuha Railway yard and has been kept in good order.

The work yet to be done comprises the completion of formation from 10 miles to 27 miles 6 chains, including some very heavy cuttings and fillings which had only been started previously; the clearing of a large number of slips which had developed due to the work being left in an unfinished condition; the construction of eighteen bridges, including those over the Big Cascade, the Buller River, and the Inangahua River; tunnels, as well as many culverts, together with ballasting, platelaying, and the provision of station buildings.

The line runs wholly along the northern bank of the Buller River, which it crosses just above its junction with the Inangahua River, 1 mile 60 chains from the Inangahua Junction Station, where it connects with the railway from Reefton.

The country it traverses is for the most part rough and precipitous, and, being separated from the main highway by the deep and swift Buller River, the question of transport for workmen and materials is peculiarly difficult. All men have to be camped on the road side of the river and transported backwards and forwards night and morning by means of boats or suspension bridges.

At the time of closing down the work was well equipped with all the necessary plant for transport and construction, with up-to-date workshops and machinery for the maintenance and repair of such plant; but when it was closed down the majority of this plant, stores, &c., was disposed of, and will now have to be replaced.

The estimated cost of completing is £750,000, and the time allowed is three years.

The question of prospective traffic has been referred to the Railways Department, which has made a general survey of the position, but there can be no doubt that a very considerable coal trade with the southern districts will develop and that large quantities of timber will be railed to Westport and shipped from that port.

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