KAWAKAWA-GRAHAMTOWN.

Section (7 m. 16 ch. to 15 m.; length, about 8 miles).—The formation has been finished up to 14 m. 72 ch. Two small timber bridges have been built. The platelaying has been done up to about 14 m. 40 ch. The construction of a ballast-siding a mile and three-quarters long has been completed. About half the ballasting has been done.

The construction of the banks for the Whangarei extension has been in progress during the year; a length of about 30 chains has been formed. Little progress has been made with the construction of the Whangarei Bridge; work was delayed for a few weeks, pending a decision on certain suggestions made by local authorities.

HELENSVILLE NORTHWARDS.

Komokoriki Section (49 m. 54 ch. to 56 m. 30 ch.; length, 6 miles 56 chains) .-- During the year the tunnel, 51 m. 31 ch. to 51 m. $52\frac{1}{2}$ ch., has been completed and lined. The formation has been completed to 54 m. 30 ch. at Ahuroa Station. The rails have been laid to the same point, and the ballasting is nearly finished. A small station-yard has been made at Ahuroa, and the line is very nearly ready for traffic. The construction of the line up to the second tunnel, 55 m. 28 ch. to 55 m. $49\frac{1}{2}$ ch., is nearly finished. About 370 ft. of the tunnel has been driven at the north end, and the south approach cutting is nearly finished. The earthwork up to the end of the section is well advanced. A contract for a million bricks for tunnel-lining was completed during the year.

PAEROA-WAIHI.

Length, 12 miles 40 chains .- The line has been ballasted to the entrance to the Karangahake Station yard. The excavation of this yard is done. At the west end of the Karangahake Tunnel a length of 1,150 ft. has been driven, and the lining put in for a length of 972 ft. At the east end 826 ft. have been driven, and the lining is in for a length of 690 ft. Some progress has been made with the cuttings from 5 m. to 6 m. 15 ch. It is expected that eighteen months will be required to finish the tunnel at the present rate of progress. Considerable progress has been made with the erection of the combined road and railway bridge over the Ohinemuri River at Karangahake.

GISBORNE-KARAKA.

Gisborne-Kaiteratahi Section (0 m. to 12 m. 65 ch.; length, 12 miles 65 chains).-The line has been finished to Kaiteratahi Station and opened for traffic.

Karaka Section (12m. 65ch. to 18m.; length, 5 miles 15 chains).-The contractors for the Waipaoa Bridge are now placing material for the structure on the ground, and are preparing to begin the erection. Good progress has been made with the earthworks. A start has been made with the tunnel, 15 m. $31\frac{1}{2}$ ch. to 15 m. 41 ch., the heading being driven for a length of 90 ft. at the south end and 213 ft. at the north end. The fencing has been erected on about four miles of the section.

NORTH ISLAND MAIN TRUNK.

North End.

Ohinemoa Section (49 m. 19 ch. to 62 m. 48 ch.; length, 13 miles 29 chains).-This section

has been maintained during the year, and trains run every day—up one day, slipping ground on this section has not given serious trouble during the year. Ongarue Section (62 m. 48 ch. to 76 m. 55 ch; length, 14 miles 7 chains).—The formation has been finished, all the bridges built, and the rails laid during the year. The line has been partly ballasted over the whole section. Sidings, platforms, and sheds have been constructed at partly ballasted over the whole section. Sidings, platforms, and sheds have been constructed at Te Koura, Taringamutu, and Taumarunui Stations; and cattle-yard, engine-shed, and cottages at Taumarunui Station. It is expected that the line will be ready to be opened for traffic in October next up to Taumarunui Station, about $76\frac{1}{2}$ miles from Te Awamutu. Messrs. Anderson's contract for the manufacture of the steel superstructure of the three Ongarue bridges was completed during the year; the erection was done by day labour.

Taumarunui Section (76 m. 55 ch. to 83 m. 23 ch.; length, 6 miles 48 chains).—The formation is well advanced towards completion, and is expected to be ready for platelaying in about three months. Some country liable to slips is passed through on this section. The contract for the erection of the Taumarunui Bridge over the Wanganui River should have been completed in February last, but the erection was not begun before the end of March, and is still in progress.

amount of work has been done on the first five miles of the section in bushfelling, constructing culverts, and in earthworks.

South End.

Makohine Section (22 m. 40 ch. to 33 m. 40 ch.; length, 11 miles).-A portion of this section 8 miles 70 chains long was opened for traffic on the 3rd November last. The Ohingaiti and Mangaweka Station yards have been finished, the latter involving some very heavy earthworks. The Makohine Viaduct has been finished; the structure was tested on the 21st September by a train weighing 611 tons, consisting of nine locomotives and a number of loaded ballast-wagons. The tests were in every way satisfactory.

Mangaweka Section (33 m. 40 ch. to 40 m. 40 ch.; length, 7 miles).—The trimming of the formation has been done up to 38 m. Two tunnels on the section are finished; the third is finished, except one front; and about $4\frac{1}{2}$ chains of the fourth tunnel have yet to be enlarged and lined. The fencing of the line is being done.

Mangaweka Viaduct.—Four piers are completed; the fifth pier is erected ready for riveting; the columns of the sixth pier are nearly ready for erecting; and the material for the seventh pier