

Tenders for the Waikino Station buildings are about to be invited, and the line to that point, three miles and a half from Karangahake, will probably be available for traffic by about May next. The amount spent on this line last year was £26,463. During the current year about £40,000 will be required. The expenditure on this line is now charged to a separate account established under the special legislation of last session.

GISBORNE—ROTORUA.

The bridge over the Waipaoa River was finished last month, and the rails laid over it, and it is now in daily use for ballast traffic. The short tunnel between Kaiteratahi and Karaka is excavated, and is now being lined, and will shortly be finished. The rest of the formation-works to Karaka are practically completed, and tenders for the Waipaoa and Karaka Station buildings will shortly be invited. Rail-laying has been resumed, and it is hoped to have the section ready for traffic by about the end of the financial year.

The survey of the projected extension to Motu has been put in hand, and the party kept in the field as long as the weather would admit of satisfactory work being done. Field-work has now been resumed, and should make good progress during the coming summer. The formal authorisation of this section of the line is provided for in the Railways Authorisation Bill of the present year.

The expenditure last year amounted to £14,330, and for the current year an appropriation of £10,000 is proposed.

STRATFORD—ONGARUE.

The formation-works on the Oruru Section have been completed, rail-laying and ballasting are now in hand, and tenders for the erection of the station buildings are about to be invited. I hope the line will be available for goods traffic soon after the end of this month, and for passenger traffic by about the end of November. Beyond Oruru the somewhat extensive survey to determine the best route for the line to follow has been completed, and there is now, I think, sufficient information in the possession of the Department to enable a decision to be arrived at when the time comes for taking in hand another section of the line. The expenditure last year was £8,713, and a vote for £7,000—sufficient to complete the line to Oruru—is proposed on the estimates now submitted.

MOUNT EGMONT BRANCH.

Owing to the large amount of work which Parliament had in hand last session there was not time to pass the Railways Authorisation Bill which was submitted, and consequently the construction of this railway could not be proceeded with. It is again proposed in the similar Bill this year. If authorised by Parliament, construction can be taken in hand as soon as the necessary surveys of the portion now proposed to be constructed have been completed. Rock deposits exist at about 3 miles 50 chains from Waipuku, but exhaustive prospecting has shown that they are not of an extensive character. The survey of the line was accordingly continued to a rock face on the Manganui River, about 3,400 ft. above sea-level, which had already been proved by tunnelling by the Railway Department. To reach this point, however, nearly two miles of wire-rope tram on a gradient of 1 in 10 would be required, beyond the possible limits of an ordinary railway. Careful search was then made with a view to discovering an extensive rock deposit at a lower level, with the result that such has been found in the Waingongoro River 550 ft. below the Manganui face. It is possible to carry an ordinary railway all the way to this point, but a gradient of 1 in 22 will be necessary at the upper end of the line. The distance is also somewhat less than to the Manganui face. The permanent survey has therefore been made to the Waingongoro deposit, a distance of 9 miles 24 chains from Waipuku. For the first six miles the line will be of very easy construction indeed, but the upper portion will cost more, though still not of an unusually expensive character. It will not be necessary to make the whole railway at once, as a section of about five miles will open up sufficient rock to last for some time.