During the financial year a total length of 58 miles 34 chains of railway was opened for traffic. The following contains the particulars of the sections :---

			M. ch.	Date.
Midland Railway (Nelson)		Motupiko-Tadmor	10 29	Aug. 7, 1906.
" (Christchurch)		Otarama–Broken River	7 40	Oct. 29, "
Waipara-Cheviot		Elthelton–Tormore	$3 \ 10$	Nov. 14, "
		Tormore–Domett	5 28	March 21, 1907.
Ctago Central Railway		Omakau-Chatto	7 36	July 14, 1906.
"		Chatto-Alexandra	$10 \ 39$	Dec. 15, "
"		Alexandra-Clyde	$5 \ 45$	March 27, 1907.
Reefton-Inangahua		Old Reefton Station-New	1 44	March 31, "
		Reefton Station		
Hokitika–Ross	. • • •	Hokitika-Ruatapu	$7 \ 10$	Nov. 9, 1906.
				*
			58 41	

Appended hereto is a coloured diagram showing the lengths of railways opened each year since the commencement of the public-works policy.

The whole of the lines handed over to the Railway Department during the financial year happen to be situated in the South Island; but lines in the North Island, aggregating about 67 miles in length. were nearly completed, so that on about 65 miles goods traffic has been carried on, and over some 62 miles of the North Island Main Trunk Railway passengers have been carried.

KAWAKAWA-GRAHAMTOWN.

Section 7 m. 16 ch. to 19 m. southwards from Opua Wharf; about 11 miles 64 chains long.—The permanent-way is laid and is in fair order for the first $7\frac{1}{2}$ miles. On the next half-mile it is also laid and partly ballasted, but persistent slips have stopped its satisfactory completion. On the last 4 miles formation is in hand. About $2\frac{1}{2}$ miles with the bridges are now nearly ready for platelaying; and on the other $1\frac{1}{2}$ miles the bush-clearing is done, and a start made at the earthworks in one or two places only, also the timber is being obtained for the bridges.

From 19 m. to 27 m. 64 ch., or about 8 miles 64 chains in length, nothing is done. A considerable part of it is in heavy kahikatea-swamp country, entailing fairly heavy work.

This joins the southern end of this line here, and on the Hukerenui-Towai Section (5 m. 182 ch. in length from Hukerenui), which is the present end of the open line from Whangarei, the formation is in hand, and the first three miles are partly done; a little fencing, but no bridges, has been started.

Grahamtown Extension (2 miles 30 chains in length, exclusive of wharf).—The formation of the line from the Opau Railway Wharf to Grahamtown is in hand. The country is of a very rotten nature, and continuous slips in all the cuttings have greatly delayed the work, so that very little progress has been made lately.

HELENSVILLE NORTHWARDS.

Kaipara Flats – Tauhoa Section (59 m. 75 ch. to 62 m. 40 ch.; 2 miles 45 chains in length).—After having a lot of trouble with slips, this line was finally opened for traffic on the 11th June, 1907.

Hoteo Section (62 m. 40 ch. to 66 m.; length, 3 miles 40 chains).—The earthworks are just finished; the tunnel was completed during May; the contract for the three bridges over the Hoteo is just on completion; the platelaying has just been started, and is now about half done. As the ballast has to be railed from Auckland it will take till Christmas to complete the length.

Wellsford Section (66 m. to 69 m. 20 ch; length, 3 miles 20 chains).—The earthwork on the first 2 miles is nearly finished, and on the rest it is about half-done. Heavy slips are, however, starting in nearly all the cuttings, so that it will take some time to complete it. The timber is being obtained for the bridges.

From 69 m. 20 ch. the line has been located for another six miles, and working-plans have been prepared.

GISBORNE-ROTORUA RAILWAY.

Waikohu Section (17 m. 70 ch. to 23 m. 50 ch.; length, 5 miles 60 chains).—The Karaka tunnel has been finished, and, to avoid the bad roads west of Karaka, the rails have been laid and ballasted and everything completed to the small station at Puha, 19 m. 65 ch., and opened for traffic on the 20th May, 1907. The completion of the small bridges and earthwork on the rest of the section is in hand, and tenders are being obtained for the large bridge over the Waikohu at 23 m. 17 ch., and the two bridges just beyond.

NORTH ISLAND MAIN TRUNK RAILWAY.

North End.

The line to Taumarunui Station, some 174 miles south from Auckland, was handed over to the Traffic Department on the 1st December, 1903. South of this, as all the principal business and settlement has been connected with the construction of the line, all conveyance of stores and goods has been done by the ballast-train, which now runs to Raurimu, which it reached last November, $198\frac{1}{2}$ miles south of Auckland.

On this length, which comprises the Taumarunui Section, 6 miles 45 chains; the Whakapapa Section, 10 miles; and the Owhango Section, 8 miles, the earthworks have now been finished, except the removal of some slips, the bridges built, about half of the fencing done, the platelaying finished, line ballasted, and the necessary station buildings erected.