Makaretu Section (111 m. (Raurimu Station) to 104 m. (Waimarino Station) (Chainage from Marton): length, 7 m.).—This is a very heavy section, and includes the Spiral, with its two tunnels and very high cuttings and banks. Good progress has been made, and in about three months most of the earthwork should be completed. Platelaying will be started during September, and it is expected to reach Waimarino this summer.

Waimarino Section (104 m. to 91 m. 50 ch.; length, 12 miles 30 chains).—The bush-work has been completed on this section. The service road was completed right through by December, 1906. The earthworks have been started at most of the larger cuttings, and are now progressing very well. Culverts, viaduct, and bridges are also being constructed.

Makatote Viaduct.—The contractors have now got the foundations all excavated, except some blocks of one pier in the centre. Greater depths than expected have been required on the south side. The concrete bases of steel piers, concrete piers, and abutments are all complete except on this centre pier. At the workshops nearly all the steelwork is now manufactured. The short girders on the concrete piers at each end have been erected. A start has been made erecting three of the high piers. It is expected that the viaduct will be finished by March, 1908.

The manufacture of the steelwork for the Manganui-o-te-ao and Maungaturuturu bridges was let by contract, and is in hand. The concrete piers and abutments, being onstructed by the Government, are almost finished.

The Public Works sawmill at Kakahi supplied sleepers and all necessary timber for buildings and bridges. The ordinary building-timber produced in cutting the sleepers, &c., has been sold.

South End.

Raetihi Section (82. m. 70 ch. to 91 m. 50 ch.; 8 miles, 60 chains in length).—Bushfelling has been completed on this section. The service road from Ohakune to Horopito has been made and metalled, and connected with the road from the north end. Work has been started on all the important cuttings. The culverts are being constructed. The heading of the last tunnel has been pierced, and it is now being enlarged. A tramway has been laid from Ohakune to the site of the Hapuawhenua Viaduct, and the material for the concrete piers and base-blocks is being conveyed along it, which are now well started. Also at the Toanui Viaduct good progress is being made; the concrete piers for the other two bridges north of this are also in hand. Platelaying on the main line, excepting the length from 70 m. to 73 m. 30 ch., which is worked by a temporary line, has nearly reached Ohakune at 85 m. 51 ch., where it will connect with the temporary line which goes on to the Hapuawhenua Viaduct at 87 m. 19 ch., already referred to.

Murimutu Section (69 m. to 82 m. 70 ch. ; 13 miles 70 chains in length).—To avoid the delay of waiting for the completion of the heavy formation-work, which is being pushed on as fast as possible from 70 m. to 73 m. 30 ch., a temporary line has been laid by a cross-route connecting these points. This has enabled the main line to be laid on to Ohakune, and so expedited the progress of the work greatly. The sidings of the station-yards at Waitangi, Karioi, and Rangataua have been partly laid in. The ballasting is being pushed on. Buildings are being arranged for and erected, and, with the exception of the 3 miles, this length is nearing completion.

Turangarere and Waiouru Sections (50 m. 70 ch. to 69 m.; or 18 miles 10 chains in length).—From Mataroa on to Waiouru the line is now almost finished, and will be fit to open for traffic at an early date.

Paengaroa Section.—The remainder of this section, extending from 44 m. 70 ch., Taihape, to 50 m. 70 ch., Mataroa, was completed and handed over to the Railway Department, and opened for traffic on the 1st June, 1907.

The *steelwork* for all the viaducts at the south end is being manufactured at the Government workshops at Makohine, and it is now almost all ready for erection.

The *rail-heads* are now about twenty-six miles apart in one place, and three miles apart in another. Should favourable weather prevail, and no unforseen difficulties arise, it is anticipated that the rails will be laid right through by the end of 1908.

STRATFORD-WHANGAMOMONA RAILWAY.

Huiroa Section (11 m. 18 ch. to 15 m. 68 ch.; length, 4 miles 50 chains).—The formation-work has been completed; the fencing done; bridges erected; and the rails are now laid with the sidings at Huiroa Station. Ballasting will take about three months to complete. Contracts are being let for the necessary station buildings.

MOUNT EGMONT BRANCH RAILWAY.

This line has been formed up to 6 m.; rails laid, and one-third ballasted; line fenced, and most of the gates erected. Four bridges are being erected in the crushing-yard, and the sidings are being laid in for working it.

The concrete walls and foundations for the water-power crushing machinery have been completed, machinery partly erected, and 16 in. pipes and nozzles fixed. Sheds are being constructed. The dam in the Manganui River and other headworks are completed, and the pipe-trench is ready to lay the 22 in. main in.

At Waipuku an engine-shed, tanks, and five cottages have been erected. Also a tender has been received to erect a barrack and two cottages at the crushing-station.

The line will have to be extended another 2 miles 70 chains to the quarry, to get a full supply of stone for crushing.

A contract has been let to provide screens and chutes for the stone-crushers.

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