Matawai Section (38 m. 25 ch. to 43 m. 75 ch.).—This section also suffered a great deal from slips during the earlier part of the year, and a large gang of men with locomotive and trucks were employed for several months clearing these slips. This section was handed over, together with the Rakauroa Section, to the Railway Department on the 2nd November, 1914.

Motu Section (43 m. 75 ch. to 49 m. 8 ch.).—Most of the earthworks, except the formation of Kowhai Road Station yard, are complete. The rock from several of the big cuttings was utilized for concrete and metalling roads. A contract has been let for the erection of a bridge over the Motu River. Platelaying is complete to 48 m. 20 ch. near the site of the above bridge. The line is completely ballasted to 47 m. 55 ch.

Gisborne-Napier (North End).

Ngatapa Section (0 m. to 10 m. 29 ch.).—The formation is completed, and the remainder of the works on the section are well advanced. Tenders have been called for the manufacture of steelwork for several of the bridges on this length. A quarry has been opened up near Repongacre Station yard, and a branch line has been laid into it from that station, and a crushing plant installed.

All the piers of the Waipaoa Bridge have been erected. Considerable difficulty was experienced with the sinking of the cylinders on account of the large quantity of timber encountered. Most of the steelwork superstructure is at the site and is now being assembled in position.

Four cottages have been crected at Repongacre Station by day labour, and two more cottages, goods-shed, and platform-front at Ngatapa. Rails, including all sidings, have been laid throughout the section, and the first lift of ballast put on the whole length.

throughout the section, and the first lift of ballast put on the whole length. Manyatoetoe and Waikurg Sections (10 m. 29 ch. to 22 m.).—The earthworks are fully manned up to 14 m., and several culverts have been constructed. The bottom heading in the tunnel at 13 m. 15 ch. has been driven 150 ft.

Gisborne-Napier (South End).

Eskdale Section (0 m. to 10 m.).—An amended centre-line has been pegged across the Inner Harbour, leaving the present Napier–Spit Railway at a point near the recreation-ground, thus allowing more room for harbour area. The Harbour Board has undertaken to construct the earthworks, culverts, fencing, &c., from the junction to a point near Westshore, and has now built a bucket dredge with conveyer for the work. The Westshore Bridge across the Inner Harbour will be built by the Department's own staff, and a start has been made with the preliminary work. All the reinforcing steel has now arrived at Napier, and is being stacked on the site.

STRATFORD - MAIN TRUNK RAILWAY.

West End.

Whangamomona Section (31 m, 40 ch, to 37 m, 53 ch).—Though handed over to the Railway Department in the previous year there were several unfinished works on the section. These have since been completed.

Tahora Section (37 m. 53 ch. to 47 m. 25 ch.).—The whole of the earthworks are complete up to and including Kohuratahi Station yard, and good progress has been made beyond this point to No. 2 tunnel at Tahora saddle. Earthworks are in hand beyond No. 2 tunnel, principally road and stream diversions, side ditches, and water-drives. A service tramway is being laid from the end of present line to enable construction to be put in hand up to Rackohua Station yard at 47 m. No. 1 tunnel was completed for $15\frac{1}{4}$ chains during the year; 17 lineal yards are still uncompleted. The bottom heading of No. 2 tunnel is through, and enlarging and lining have commenced.

All bridges up to Kohuratahi are complete. In the workshops fifty-four spans of 20 ft. rolled-steel joists were strengthened. Materials for road-bridges at Rackohua Station vard are now being delivered.

The permanent rails have been laid into Kohuratahi Station yard, and the line up to this point partially ballasted.

All station buildings have been erected at the above-mentioned station.

East End.

Matieve Section (0 m. to 11 m.).—Plans for bridge over the Ongarue River at 0 m. 7 ch. have been completed, and tenders are now being called for the manufacture and crection of the steel superstructure. The piers are to be constructed by the Department's staff, and preparatory work is in hand. The formation is practically complete to 1 m. 40 ch., except cutting at 1 m. 29 ch., which has again slipped badly.

The contractor for the Okahu contract (1 m. 40 ch. to 4 m.), which includes the construction of a tunnel 75 chains long, made very poor progress, and finally surrendered his contract in February last. Messrs. Dillon Limited took over the contract, and are now at work widening and timbering headings.

Earthworks are complete between 1 m. 40 ch. and 2 m. 19 ch., except for cutting at 1 m. 50 ch. The bottom heading of tunnel has been driven from eastern end to 2 m. 46 ch., and from western end to 2 m. 76 ch., leaving a gap of 30 chains. Earthworks between 3 m. 20 ch. and 4 m. are in an incomplete state. From 4 m. to 5 m. 53 ch. several contracts were let for formation-work, and fair progress has been made. Beyond 5 m. 53 ch. formation is well in hand to 10 m. at Matiere Township. A bottom heading has been driven through the tunnel at 7 m. 55 ch., and heading through tunnel at 8 m. 55 ch. is almost complete.