Waikura Section.—The cutting at 11 miles 65 chains gave much trouble by slipping. The slips, however, have been removed and used for raising Ngatapa station-vard above flood-level.

Several cuttings have been completed, and formation is now roughly complete

to 13 miles.

Rails are laid to 11 miles 55 chains, the first lift of ballast to 11 miles 50 chains, the second lift to 10 miles 60 chains, and the third to 10 miles 45 chains.

A "Marion" steam-shovel has been worked between 11 miles 65 chains and 11 miles 75 chains throughout the year.

WAIROA-WAIKOKOPU.

Nuhaka Section.—The formation over the whole section is sufficiently completed to admit of rails being laid throughout. Three miles of rails have been laid at the Wairoa end, and a further 50 chains of wharf-siding to the Wairoa River. Platelaying-material was unloaded at Waikokopu Harbour and carted to Nuhaka, where permanent rails were laid from 17 miles 47 chains back to 13 miles 62 chains.

A line to ballast-pit near the 15-mile peg has been laid. From this pit

practically all the ballast for this line will have to be obtained.

A Stationmaster's and three platelayers' cottages have been erected at Wairoa,

and two platelayers' cottages at Nuhaka.

Waikokopu Section.—The heavy formation from Nuhaka to Waikokopu has been steadily pushed forward despite the very unfavourable weather experienced. It is anticipated the formation will be sufficiently advanced to admit of rails being laid right through by January next. A large number of men are employed, and some of the cuttings are being worked with double shifts to expedite completion.

Three steam-shovels are now in operation on this line.

STRATFORD - MAIN TRUNK.

Matiere Section.—Platelaying was commenced in November last, and on the 23rd May of this year the line, 10 miles 23 chains in length, was formally opened for goods and passenger traffic under my Department's control.

One lift of ballast has been laid over the whole length, and a commencement

made with the second.

The Ongarue combined bridge was finally completed during the year. It consists of two decks: the upper, which carries the railway, has two central 60 ft. trusses, outflanked by one 45 ft. and one 25 ft. steel-plate girder at each end. The lower or vehicular-traffic deck is carried on the bottom chords of two 60 ft. trusses.

The concrete-work on three of the Ohura River bridges has been completed, and temporary superstructures have been provided to carry the traffic. The fourth Ohura crossing is provided with a temporary structure to carry the traffic. The excavation for foundations of the permanent piers for this bridge has been commenced. The steelwork for these four bridges is being prepared in the Mount Workshops, Tauranga. Two subways have been completed, one to give access for a sawmill tramway, and the other for the Otahu access road.

The principal work remaining to be done comprises completion of ballasting, finishing bridges, Tuhua and Matiere station-yards, and the necessary buildings

at these two stations.

Ohura Section.—Formation-work on this length is now being opened up.

Tahora Section.—All earthwork formation and platelaying has been completed. At Tahora Station a water-service has been installed, shelter and goods sheds erected, and station-platform and loading-bank built.

The main Ohura Road, which is used as a service road, has been efficiently maintained. A bi-weekly passenger and goods service has been run between Kohuratahi and Tahora, connecting with New Zealand Railway service at Kohuratahi.

Te Wera Quarry.—A branch line, 1 mile 16 chains in length, connecting with the Stratford – Main Trunk Railway at 22 miles 63 chains, has been constructed.

Stripping has been commenced, and 50,000 yards of rock is ready for excavation. The crusher has been erected, and as soon as the bins, which are in course of erection, are complete, crushing operations will proceed. Suitable accommodation has been erected to meet the needs of all employees.