

Government is being urged to resume construction at the southern end—namely, from Hukerenui towards Towai—and the appropriation proposed for the current year provides for a resumption of work at this end. On the section between Whangarei and Grahamtown the earthwork has been proceeded with throughout the year, and plans and specifications have been completed for the deep-water wharf at the latter township. When this wharf is completed it will be possible for vessels up to 2,500 tons to lie at the berthage at all stages of the tide. Tenders for building the wharf will be invited in due course. The total expenditure on this railway last year amounted to £8,610, and as considerably more work will be in hand during the current year a larger expenditure must be anticipated. The vote proposed is therefore £20,000.

HELENSVILLE NORTHWARDS.

The section between Ahuroa and Woodcock's was opened for public traffic on the 12th May last, and the formation of the next section—namely, to Kaipara Flats—is nearly finished, and the platelaying and ballasting is in progress. Formation is also well in hand on the section between Kaipara Flats and Tauhoa. This railway is fully surveyed as far as Hoteo, but as a considerable extension of the line was authorised last session it is proposed to put further survey-work in hand as soon as a staff location engineer is available. Some of the landowners along the route have offered to give the land required for the railway free, and as soon as the route has been definitely determined the necessary formal agreement to give effect to this arrangement will be submitted to them for signature. Last year's expenditure amounted to £9,320, and for the current year an appropriation of £30,000 is asked for.

PAEROA—WAIHI.

Satisfactory progress has been made with the works on this line during the past year. Coal traffic is now being carried on as far as the Waihi Gold-mining Company's battery at Waikino. The formation is finished to Waihi; rail-laying on the last section is well in hand, and the erection of the station buildings is in progress. As gravel is not available, all the ballast on this line has to be crushed, and the rate of progress is therefore slower than would otherwise obtain. The railway will be completed to Waihi and handed over to the Railway Department for regular traffic at an early date. The expenditure on this railway last year amounted to £39,676, all of which was charged to the special account established for this line. At the close of the financial year a balance of £8,861 remained at the credit of this account, but as some additional works are necessary that sum will not quite meet the cost of completing the line, and it is proposed to take a vote of £6,000 to close accounts in connection with it.

GISBORNE—ROTORUA.

The section between Kaiteratahi and Karaka was opened for public traffic on the 13th April last. The survey of the extension authorised last year has been proceeded with, and several miles of same are now located, so that it has been possible to make a start with the earthworks. The trial survey has been carried as far as the summit on the Gisborne side of the Motu Valley. This summit is 1,964 ft. above sea-level, and the distance from Gisborne is $43\frac{1}{2}$ miles, and $25\frac{1}{2}$ miles from Karaka. Before permanently locating any further portion of the line beyond the section, which has just been commenced, it is considered advisable to remove the survey party to the Opotiki side of the main range, as the question of the most advantageous point to enter and cross the Motu Valley is largely influenced by the question of the best point to leave that valley and to make a descent to the low lands in the Bay of Plenty. The expenditure last year amounted to £16,068. This was in excess of the vote, but under all the circumstances it was thought advisable to push on the works to completion so as to make the expenditure interest-bearing as soon as possible. For the current year a vote of £20,000 is proposed.