

*Mount Branch* (0 m. to 4 m. 7 ch. ; length, 4 miles 7 chains).—The regular goods and passenger service has been carried on over this section in a satisfactory manner, and the line has been well maintained.

A considerable amount of work has been carried out in connection with the restoration and extension of the workshops ; the filling-in for yard-extension has been completed, and platelaying is in hand. The new mill and carshop is almost completed, and the blacksmith's shop is in hand. A considerable amount of new heavy-duty machinery has been installed, and the shop is now well equipped and efficient.

In addition to the steelwork for the Tauranga Bridge and seven smaller bridges, a great deal of timber and iron work has been carried out, including the manufacture of an orange-peel grader, three large piling-derrick, concrete buckets, earth wagons and trucks, dredge-punts, and the assembly of steam-shovels, caterpillar tractors and trailers, &c. The general machine repairs and maintenance to locomotives and rolling-stock have been a heavy item ; nearly all the M ballast-wagons having had new underframes, and their wheels turned up. A new water-supply, including engine and pump, was erected at the workshop to serve locomotive and workshop boilers, and provide a domestic supply for workmen.

*Te Puke Section* (45 m. to 54 m. ; length, 9 miles).—This section has been kept open for traffic, and, in addition to ordinary maintenance, all the bridges have been repainted, and the Mangatawa drain cleaned out, deepened, and extended. About 10,000 yards of metal has been quarried and crushed, part being supplied to local bodies and part used for ballasting and concrete-work by the Department.

*Paengawa Section* (54 m. to 59 m. 67 ch. ; length, 5 miles 67 chains).—This section has been maintained for traffic, and additional waterway has been provided at Wairi Bridge.

*Pongakawa Section* (59 m. 67 ch. to 64 m. ; length, 4 miles 13 chains).—No work has been done on this section beyond maintenance for traffic.

*Otarawakau Section*.—This section is not yet completed, but is open for traffic. The embankments generally, which have subsided, have been raised, and a steam-shovel has been started in the widening of the Otaramakau cutting. A large number of concrete posts, strainers, and house-blocks have been made at the depot.

*Matata Section* (71 m. 5 ch. to 79 m. 16 ch. ; length, 8 miles 11 chains).—This section is also open to traffic, though uncompleted, and consequently the maintenance has been considerable ; the principal work carried out has been the raising and widening of banks, fencing, and the erection of temporary bridges off the centre-line to enable the permanent structures to be put in hand without interfering with traffic.

*Rangitaiki Section* (79 m. 16 ch. to 87 m. 71 ch. ; length, 8 miles 55 chains).—Similar work is being carried out on this section in raising banks and erecting temporary bridges. A steam-shovel is engaged at the Awakaponga pit, and during the period dug 71,000 cubic yards. The permanent reinforced-concrete bridge at 79 m. 24 ch. is in hand, and temporary trestle bridges have been built over the Tarawera and Rangitaiki Rivers. The permanent rails have been laid throughout the section, with short sidings at Awakaponga, Tarawera, and Rangitaiki Stations, and the section was opened for traffic in September.

*Awakeri Section* (87 m. 71 ch. to 92 m. ; length, 4 miles 9 chains).—Work on this section has consisted mainly of widening at Awakeri station-yard, fencing generally, and construction of temporary bridges. Platelaying has been completed, and this section was also opened for traffic in September.

*Taneatua Section* (92 m. onwards).—All clearing has been completed to 97 m., and earthworks to 95 m. Fencing is in hand to 94 m. 20 ch., and culverts and side drains to 96 m. A steam-shovel is being assembled for cutting at 96 m. 20 ch., and a service road has been extended over the summit 65 chains, having been constructed during the year, including two bridges. The permanent rails have been laid to 93 m. 23 ch.

*General*.—Seventy-seven double and fifty-eight single huts have been erected on all sections, a cookhouse at the Mount, and bathhouse at Te Puke quarry.

#### *Gisborne-Napier (North End).*

*Ngatapa Section* (0 m. to 10 m. 29 ch. ; length, 11 miles 18 chains).—The principal work on this section has been the raising of the Ngatapa station-yard, construction of stream-diversions, and ballasting, which has been completed to 9 m. 40 ch. Metal for ballasting has been obtained from the Repongaere quarry, which has also supplied a considerable amount of pulverized lime for agricultural use in the surrounding district. The permanent-way has been maintained and a regular goods and passenger service maintained.

*Waikura Section* (10 m. 29 ch. onwards).—Formation is in hand to 13 m. 15 ch., the principal works being bank and cutting, 12 m. 10 ch. to 12 m. 24 ch. ; big cutting at 12 m. 30 ch. ; banks at 12 m. 39 ch. and 12 m. 53 ch., cutting at 12 m. 48 ch., widening and raising bank at 12 m. 59 ch., and tunnel approach at 13 m. 15 ch. A Marion shovel was occupied on slips and did good work. Bridge at 11 m. 55 ch. was completed. Platelaying is complete to 11 m. 55 ch., first lift of ballast to 10 m. 60 ch., and second lift to 10 m. 55 ch.

*Frasertown Section* (0 m. onwards).—Very little work has been done on this section ; the approach road to Wairoa station-yard has been formed, and earthwork generally completed to 1 m. 72 ch. Contracts were let for the erection of three platelayers' cottages and a Stationmaster's house, but owing to difficulty in procuring supplies of timber the work has been somewhat delayed ; two cottages are almost complete.