

through with satisfaction and despatch. The necessary mechanical plant is to hand or is on the water, and the contractors are laying their plans for very vigorous operation during the coming summer.

The co-operative system, under which so much of the Government's works have been carried out for the last thirty years, has been the target of much abuse, particularly by those who are not in possession of all the facts. It is interesting to note that the contractors for this length of railway have already a large number of men employed on the co-operative system. The conditions of the contract safeguard the interests of the workers by requiring the contractor to provide housing accommodation and other facilities practically on an equality with those provided on the works which the Department itself directly controls.

The schedule attached gives a complete statement of the work on railways now in progress, and the extent to which it is anticipated it can be completed during the next two years, assuming that sufficient financial provision will be available.

NORTH ISLAND LINES.

It is anticipated that the Portland and Tauraroa Sections of the Whangarei Branch Railway will be completed and ready for handing over to the Railway Department by the first week in November, and that the remaining section of this branch railway to Waiotira Junction will be ready to hand over a little later on. The works on this branch railway required to bring it to completion comprise the finishing of station-buildings, stone drains for drainage in cuttings, and walls for protecting toes of slips which have been very persistent during the wet season. The weather during last winter was the worst on record, and though the line has been kept open while the length of working railways below Maungaturoto was blocked, the finishing-off work had to be delayed until slips were removed and drier conditions prevailed.

The North Auckland Main Trunk Railway from Huarau to Waiotira Junction suffered from the effects of the wet winter in a more marked degree than the Whangarei Branch Railway, and during this period all available men were occupied in removing slips and keeping the line open for traffic, so that very little permanent work except ballasting—and not very much of that—could be done in the winter. This line has consolidated, and permanent works to complete same are already in progress. It is hoped to hand it over to the Railways Department before the end of next March.

The extension of the North Auckland Main Trunk Railway northwards of Waiotira towards Kirikopuni, on the Wairoa River, has been vigorously carried over a length of 13 miles, through some heavy country.

It is anticipated that the long Omana Tunnel and the Tokatoka Tunnel will be completely lined at an early date, thus enabling the permanent rails to be extended north of Waiotira. It is hoped that by the end of June next all the bridges will be finished to Wairoa River, as well as the rail-laying and a certain amount of ballasting. The preliminary borings for the large bridge over the Wairoa River at Pukehuia have been taken to ascertain depths to which cylinders must be sunk to ensure safety. All steel, iron, and timber have been ordered for this bridge, which should be completed in about twelve months' time. The whole length from Waiotira northwards to the terminus should be carrying traffic within two years. Beyond the proposed terminus a modern road of good grades and curvature is being constructed to tap the fertile Mangakahia Valley and subsidiary valleys. The completion of this road will synchronize with the completion of the railway to its terminus.

The investigations referred to in my Statement of last year as necessary before a final decision could be made as to the point to which the railway could be economically carried beyond Okaihau on the North Auckland Main Trunk, are still in progress. In the meantime Rangiahua is the objective, and it is intended to put in hand shortly the preliminary work so that all will be in readiness to