Taneatua Section (91 m. 40 ch. to 100 m. 5 ch.; length, 8 m. 45 ch.).—This length has carried goods and passenger traffic, and has been well maintained. A considerable quantity of ballast has been put on this section. A large slip came down at 97 m. 50 ch. and blocked the line, 11,190 cub. yd. being removed by steam-shovel. Gates and cattle-stops were erected throughout the section. A 6,000-gallon water-vat was erected at Kiwinui, and an engine-shed and 70 ft. turntable at Taneatua. Filling was placed on cottage-sites at Taneatua to bring them up above flood-level. Additions to the Whakatane Railway-bridge to convert it to a combined road and railway bridge are substantially finished. The road-decking is almost complete, and the approach road has been formed and metalled and two bridges have been erected thereon. The girders of the Waioho and Whakatane Bridges have been painted.

Waimana Section (100 m. 6 ch. to 100 m. 16 ch.; length, 10 ch.).—The platelaying and ballasting

of this section were completed.

Mount Workshops.—628 tons of steel were fabricated into girders during the year, mostly for bridge-work outside the Tauranga district. An additional 140 tons is drilled ready for riveting. Girders were manufactured for the Whakaruatapu Bridge, Dannevirke; Makatote River Road-bridge, Mangatipa Stream Bridge, Waihou River Bridge; Ohinemuri River Bridge, Wairoa River Railway-bridge, Kirikopuni; and bridges on Auckland-Westfield Railway deviation, Lawrence-Roxburgh Railway, and the Napier Wairoa Railway. An air-lock was manufactured for the Motu River Bridge, and a crane for Waikokopu Wharf. Maintenance-work has been done to the Department's construction plant and to the railway rolling-stock. The latter includes work done on eleven locomotives, eight passenger-cars, and 261 wagons.

Traffic.—A regular passenger and goods traffic has been maintained throughout the year between Taneatua and Tauranga, and since March between Taneatua and Tahawai. The total revenue for the nine months up to 27th March was £14,614 11s. 11d. Since then the Railway Department has been doing the accounting.

GISBORNE-NAPIER RAILWAY.

Putorino Section (10 m. 56 ch. to 37 m. 35 ch.; length, 26 m. 59 ch.).—The two most important works on this section are the erection of the Waikoau and Matahoura Viaducts, and consequently the year's programme was so arranged as to enable the construction of these viaducts to be pushed ahead as speedily as possible.

With the exception of the approach filling to the Matahoura Viaduct, the cutting at 35 m., a small portion of Maori Creek filling, and the Putorino station-yard, the whole of the earthwork on this section has been completed. Two steam-shovels were employed for the first part of the year, and,

in addition to these, hand gangs and scoops shifted approximately 80,000 cub. yd.

The road-deviation at 34 m. 10 ch. has been formed, and that at 35 m. 10 ch. has been formed, metalled, and incorporated in the main highway, while the approaches to overbridges at 18 m. 69 ch., 23 m. 31 ch., 26 m. 22 ch., and 28 m. 33 ch. have been completed. The access road to Putorino Station has been formed for 60 ch. The permanent telephone-line has been constructed throughout the section.

The fencing of the railway reserve for the whole section is now practically completed, 7 m. 33 ch. having been erected during the year. Two 16 ft. gates have been put in at the Waikoau station-yard, and others made for Waipunga, Tutira, and Matahoura Stations.

Between Eskdale and Tutira the culverting of the line has been completed, with the exception of a few portals, forty-two pipe culverts being installed during the year. From Tutira to Putorino four 2 ft. diameter pipe culverts, three 3 ft. arched concrete culverts, one 4 ft. arched culvert, and the 9 ft. by 8 ft. 7 in. water-drive at Maori Creek were completed.

On the access-road to Putorino Station three pipe culverts were placed. Overbridges have been built at 23 m. 31 ch., 26 m. 22 ch., and 28 m. 33 ch., and a concrete subway at 17 m. 20 ch. in the form

of an 8 ft. flat-topped culvert has also been provided.

The Waikoau Viaduct, consisting of four 60 ft. approach spans and one 250 ft. main span with rail-level 236 ft. above the creek-bed has, with the exception of a small portion of the wind-screen and an inspection-platform, been completed, the first train crossing the bridge on the 15th February last. The temporary trestle used in the erection of the 250 ft. span has been dismantled and railed ahead, as have also all buildings and accommodation for workmen.

The concrete piers for Sandy Creek Bridge at 29 m. 10 ch. have been built, and a temporary trestle has been erected to carry the traffic ahead pending the arrival of the steel for the permanent structure, which consists of three 60 ft. spans on steel trestles.

The subway at 30 m. 19 ch., consisting of two 20 ft. spans and one 30 ft. span on timber pile abutments and concrete piers has been completed.

Good progress has been made with the Matahoura Viaduct at 33 m. 42 ch., all concrete piers and abutments having been completed. The cableway, with head and tail towers for landing the steel, has been erected, and the steel trestle at pier B, with the 40 ft. approach span has also been erected. The temporary trestle for the erection of the main 250 ft. span has been completed to a height of 40 ft. above the creek-bed, and 75 per cent. of the steel for the viaduct has been railed to the site.

All accommodation required for workmen has been transferred from the Waikoau Viaduct and re-erected, as well as the store, office, rivet-shed, blacksmith's shop, and engine-shed.

At 34 m. 10 ch. the excavations for the abutments of a subway, consisting of one 40 ft. span on concrete abutments, are in hand, and all aggregate, reinforcing-steel, and cement have been delivered to the site.

The rail-head has been brought forward to 33 m. 42 ch. in order that the steel and timber for the Matahoura Viaduct could be railed to the site at the earliest possible date.