

would leave North Albertland, Te Arai, Hakarau, and Mangawai on the east, and Port Albert, Wharehine, and Otamatea on the west, and would almost equally divide the country, and bring the various settlements on both sides of the line within practicable distances of the railway.

This report did not, however, seem to settle the matter in the minds of many of the settlers, as the agitation for a change of route still continued, and in May last the newly appointed Engineer-in-Chief—Mr. R. W. Holmes—was sent to the locality to personally look into the matter. Mr. Holmes went carefully over the whole route in company with Mr. Vickerman, the then District Engineer, and he entirely supports the view taken by Mr. Hales. Mr. Holmes points out that immediately to the northwards of Maungaturoto there is a ridge several hundred feet in height which the line must cross, and to do this with the greatest ease it is necessary to keep at a good elevation, and this object is secured by locating it as proposed—viz., through Kaiwaka and close to Mount Pukekaroro. To deviate *via* Bickerstaffe would entail the line crossing navigable water close to Maungaturoto, and would locate it in a basin from which the only outlet would be by a long tunnel.

As all the engineering authorities agree that the central route is the most direct, and the best, it has been finally decided to adopt that route. It will be quite possible to connect by this route with the navigable waters of the Kaipara Harbour—namely, at Te Hana, Topuni Bridge, and Kaiwaka.

The vote proposed for the Helensville Northward Railway for the current year is £40,000.

MAMAKU—TAURANGA.

The promised trial survey for this railway has been in hand during the year, and the field-work between Mamaku and Te Puke has been completed, but the report and plans are not yet to hand. As soon as these have been prepared the survey will be extended to Tauranga as promised.

WAIHI—TAURANGA.

Strong representations have been made to the Government regarding an alternative line to Tauranga from Waihi, and as there is a good deal to be said in favour of this route I have decided to have a trial survey made, so that a comparison can be made with the route *via* Mamaku and Te Puke.

GISBORNE—ROTORUA.

The section between Te Karaka and Puha, about two miles in length, was opened for traffic in May last, the further section to Waikohu is well in hand, and a tender for the Waikohu bridges has been accepted.

The permanent survey of the line is finished for another three miles and a half, or as far as the twenty-seventh-mile peg. From that point to the summit at Rakauoa, a distance of fourteen miles, the location is not free from difficulty. Two trial lines have been run over this distance. The first, with gradients not steeper than 1 in 50, has had to be abandoned on the ground of expense; and the second, with grades up to 1 in 35 in places, is now under consideration. It is probable that a practicable line at a moderate cost will be obtained on the steeper gradient. From Rakauoa to Motu Township, a further distance of fourteen miles, the country is of a much easier character.

The expenditure on this railway last year amounted to £18,428, and for the current year a vote of £20,000 is proposed.

NEW PLYMOUTH—SENTRY HILL DEVIATION.

The deviation of the New Plymouth—Sentry Hill line commences near the Waiwakaiho Bridge, and extends to the New Plymouth Station, covering a distance of about one mile and three-quarters. The work was undertaken with a view to reducing the grades on the existing route, some of which are as steep as 1 in 40, and also for the purpose of avoiding the numerous level crossings at