In addition to the above the following sections are approaching completion, and are expected to be ready to open for traffic during the current financial year:—

| | | | | | M. | ch. |
|------------------------|----------|-----|-----|-------|----------|-----|
| Kaihu Extension | | . , | | • • | 2 | 44 |
| Otiria to Kaikohe | | | | | 16 | 25 |
| Kaiwaka to Otamatea | | | | | 2 | 45 |
| Mount Egmont Branch | • • | | | | 2 | 56 |
| Cronadun to Inangahua | Junction | | | | | |
| Cass to Bealey | | | | | | |
| Big Hill to Athenæum F | | | | | 3 | 0 |
| Houipapa to Papatowai | | | • • | • • . | 12 | 72 |

The total expenditure on railway-construction and improvement-work during last financial year amounted to £1,179,077, as under:—

| | , | | | £ |
|------------------------------------|------|-----|-----|------------|
| Construction of new lines | | •• | | 684,196 |
| Additions to open lines | | | | 464,636 |
| Wellington – Hutt Railway duplicat | tion | • • | | 991 |
| Railways Improvement Account | · • | • • | • • | $29,\!254$ |

KAIHU EXTENSION.

There was considerable delay in obtaining hardwood timber for four small bridges on this line. They are now, however, approaching completion, and only a portion of the ballasting and a few details will then remain to be done before the extension to Waima Station can be opened for traffic. Waima does not in many respects fulfil the requirements of a terminal station, and the Government is satisfied that the country would be better served and a large area of Crown land and timber country opened up by an extension of the line up the Waima Valley to Donnelly's Crossing, a distance of four miles and a half, and such an extension is included in the Railways Authorization Bill recently submitted to Parliament.

The expenditure on this line during the last financial year amounted to £8,800, and for the current year a vote of £10,000 is proposed.

KAWAKAWA-HOKIANGA.

The line has been completed and ballasted up to Rakatau Station, ten miles from the junction at Otiria, and works are well advanced as far as Otuhi Station, from which point to Kaikohe the route is common to this and the North Auckland Trunk line. Rails are laid up to Kaikohe, buildings are being erected, and all the ballasting is done, except in the station-yards. It is expected that the section to Kaikohe will be ready for opening about the end of January next.

The expenditure during the last financial year was £30,978, and for the current year a vote of £40,000 is proposed.

NORTH AUCKLAND MAIN TRUNK.

Slips in the clay cuttings delayed the opening of the nine-mile length from Te Hana to Kaiwaka until the 18th March last, but trains have run over the new section regularly since then. The formation, platelaying, and ballasting over the next two miles and a half to Otamatea are completed, and a contract for the erection of the station buildings has been let, but the steel and timber bridge over the Otamatea tideway, for which a contract was let in February, 1911, is not yet finished, and for this reason platelaying cannot proceed. Beyond Otamatea one tunnel 82 chains in length is finished, and a much longer one near Maungaturoto is well in hand, although its excavation involves heavy work and great care is necessary to ensure The completion of this tunnel and the Otamatea Bridge will perfect stability. permit platelaying to proceed over the next section of the line to Maungaturoto Station. Careful surveys are being made to locate the best route north of Maungaturoto, two parties being in the field at different points along the line. A railwaywharf at Otamatea has been erected under contract at a cost of about £6,500, and will be available as soon as the line to this point is opened. The approach to the wharf has been constructed, and the rails laid upon it.

The expenditure during the past financial year amounted to £73,936, and for the current year a vote of £60,000 is proposed.