

Gisborne Southward.—Rails are laid and partly ballasted from Makaraka Junction to Ngatapa, 11 miles distant. A bi-weekly goods and passenger service is in operation over this section, which has been maintained in running-order, but construction-work beyond Ngatapa is suspended. The route is being accurately laid off for a long distance ahead to permit of the energetic resumption of formation-works on the return of normal conditions.

Napier Northward.—The fine concrete bridge which is to carry the road and railway over the Inner Harbour between Napier and Westshore was completed in March last. The long embankment on the Westshore side is finished, but the similar embankment which is to connect the bridge with the shore on the Napier side is only about half-finished. It is being constructed under agreement by the Napier Harbour Board. The line has been located for 10 miles to Eskdale, but no construction-work is in progress.

STRATFORD—MAIN TRUNK.

At the western end the length from Whangamomona to Kohuratahi, 4 miles 53 chains, was completed and handed over to the Railway Department for traffic on the 7th January last. Work has been in progress during the year over the 5-mile section to Tahora Station, earthwork being nearly finished, rails laid, and line partly ballasted to within half a mile of the station-site. Beyond Tahora the line is being laid out with a view to the vigorous prosecution of construction-work when financial and labour conditions return to the normal.

The heavy works on the 10½-mile section from Okahukura to Matiere have been kept fairly well manned throughout the year. The concrete-work on the bridge which is to carry road and railway over the Ongarue River is finished, but some time must elapse before the steel superstructure can be built, owing to the impossibility of obtaining materials. The Okahu Tunnel was taken out of the contractor's hands on the 20th June, 1917, since when the excavation has been carried on by the Department with a small number of men. Better progress is looked for in the future. The other works on the section are not heavy, and will give little concern once the completion of the Ongarue Bridge and Okahu Tunnel is in sight. For the present, construction-work is not in progress beyond Matiere.

RAETIHI BRANCH.

The branch line from Ohakune to Raetihi, 8½ miles in length, was handed over to the Railway authorities and opened for regular traffic on the 18th December, 1917.

OPUNAKE BRANCH.

The construction of piers for the large bridge which is to carry the line over the Waingongoro River has advanced steadily after overcoming some difficulties with the foundations. Plant and concrete material has been brought on to the site in readiness for the resumption of construction when suitable labour is available. Earthworks are practically finished to Kapuni, 7 miles from the junction-point, but work was suspended at the end of December last, and there seems to be no immediate prospect of its being resumed. The staff has been transferred to other works for the present.

MIDLAND.

Work at both ends of Arthur's Pass Tunnel has been in progress throughout the year with decreasing numbers of workmen, and after nearly eleven years of effort the bottom headings met on the 20th July last at a point 1 mile 37 chains from the eastern portal on the Bealey side. It is to the credit of the Engineers under whose control the work was carried out that there was a difference of only about 1 in. in the alignment, and somewhat less in the levels, when the tunnel was pierced. I had the privilege of formally breaking down the rock barrier at the meeting-point on the 21st August, in the presence of representative citizens from the Canterbury and Westland Provinces. The enlargement and lining of the tunnel is still far from completion, and while war conditions prevail but little progress can be made with the development of electrical energy for use in hauling trains through the tunnel and over the mountain sections on either side.