Ranganui Northwards.

Mareretu Section (92 miles 6 chains to 96 miles 45 chains = 4 miles 39 chains).— The treacherous nature of the country has been responsible for heavy slips on this section, retarding progress with formation; and, owing to the disagreeableness of the work, considerable difficulty has been experienced in retaining workmen. Fair progress, however, has been made with the cutting at 92 miles 48 chains and the adjacent embankment, but slips on other cuttings are causing much extra work.

Paparoa Section (90 miles 30 chains to 92 miles 6 chains = 1 mile 56 chains).— The principal items uncompleted on this section are (a) the embankment at 91 miles 39 chains, (b) the Huarau Tunnel, and (c) further excavation at the Paparoa Station.

The embankment still shows no signs of stability, its spreading and sinking rendering it unsafe to carry a locomotive; and, moreover, little can be done to improve matters until the Huarau Tunnel is completed, of which less than 2 chains now remain to be driven.

The three sections (Bickerstaffe, Maungaturoto, and Huarau) extending from 83 miles 75 chains to 90 miles 30 chains (6 miles 35 chains in length) have been thoroughly repaired, and (since the 31st March last) have been handed over to the New Zealand Railway Department for ordinary traffic.

Exceptionally heavy floods occurred on the 27th March last in the Paparoa and Waipu districts, unfortunately resulting in loss of life. Considerable damage was also caused to the railway embankment at 92 miles 13 chains, and numerous slips were brought down at other points.

There are now 179 men employed on this work.

WHANGAREI BRANCH.

Oakleigh Section (0 miles to 7 miles 60 chains = 7 miles 60 chains).—The first 5 miles 23 chains of this section have been completed, and, since the end of the financial year, handed over to the New Zealand Railway Department for ordinary traffic. Formation on the balance is more than two-thirds completed. A steam-shovel is being utilized in the largest cutting. Large slips have occurred at 7 miles 15 chains, which may necessitate a slight deviation of the line. The Portland Cement Company's tram-line runs under this line at 7 miles 74 chains through a subway constructed by my Department at the expense of the company.

Tauraroa Section (7 miles 60 chains to 15 miles = 7 miles 20 chains).—The formation and ballasting of this section is practically completed. It has been maintained throughout the year for the purpose of running goods and passenger traffic as well as for conveying railway material to Waiotira Junction. Only about 16,000 cubic yards of ballast could be crushed at the Tauraroa quarry, owing to the men being required to remove slips from the line before the stone could be conveyed to where it was required. What was not utilized on this and the North Auckland Main Trunk line was used for road-metalling. About forty workmen's huts have been erected.

Waiotira Section (15 miles to 19 miles 75 chains = 4 miles 75 chains).— Formation, with the exception of one cutting at 16 miles 60 chains and a few culverts, is completed.

Work on this and the Tauraroa Section has been most difficult and expensive owing to the treacherous nature of the country through which it passes. Some idea of this may be gathered from the fact that 36,000 cubic yards of slips have been removed from this section alone. This work was effected by means of a steam-shovel. The track is now sufficiently opened to admit of traffic being run to Waiotira, but there is still a large quantity to be removed to render the cuttings absolutely safe. Ninety-one men are now employed on this line.

The whole route of the North Auckland Main Trunk Railway and the Whangarei Branch lies in country of a most treacherous nature, which makes the construction of railways probably more difficult than in any other part of the Dominion. The cuttings, almost without exception, immediately after they have been excavated commence to slip, even though the batters have been taken out at a much flatter slope than is usual. The slopes of cuttings, as low as 6 ft. in depth, break away as soon as the cuttings are taken out, and, apparently without any reason, slip for distances of 200 ft. to 300 ft. back. The banks also cause endless trouble by sliding outwards as soon as they are made, resulting in subsidences