

Heao Section (50 miles 60 chains onwards).— $5\frac{1}{2}$ miles of trial survey has been made from near the Tangarakau River towards the Heao, leaving 1 mile of trial line to reach the Heao River. The permanent survey from 50 miles to 53 miles has also been completed and a service road laid off. Eighty men are engaged on this line.

OPUNAKE BRANCH.

Kapuni Section (0 miles 6 chains to 7 miles = 6 miles 74 chains).—All earth-work formation is completed with the exception of a small gap at 1 mile 22 chains. The construction of the Waingongoro Bridge proceeds satisfactorily when cement is available, but work on the Kapuni Bridge had to be discontinued owing to shortage of skilled men and cement.

Auroa Section (7 miles to 12 miles = 5 miles).—Formation is being pushed on to the full extent of the labour offering.

Manaia Branch Section (0 miles to 5 miles 49 chains = 5 miles 49 chains).—Satisfactory progress has been made with formation works on this section. A special contract is in hand for the formation of the Manaia station-yard, which is more than half completed. About forty double huts were erected on this line during the year for the better housing of workmen, who number fifty at present. Completion of the line to Manaia is the goal at present aimed at.

MOUNT EGDMONT BRANCH.

Work on this line was discontinued during the war, but the increasing demand for road-metal in Taranaki suggests that the line should be brought to the producing-point. Before work is resumed, however, I propose to have agreements with all the local bodies interested for them to take crushed metal regularly in definite quantities. If this is not done, and the demand is spasmodic, the works cannot be made to pay.

WELLINGTON-WOODVILLE RAILWAY (RIMUTAKA DEVIATION).

The Department has in hand the collection of information as to the relative merits of numerous routes which have been suggested in connection with the deviation for obviating the present incline crossing the Rimutaka divide. Some of these routes have already been surveyed, and as soon as suitable officers can be spared from other works a definite decision as to the route to be followed will be made. It must be realized that this is a very important matter which cannot be delegated to junior officers.

MIDLAND.

Otira-Bealey (Arthur's Pass Tunnel).

Otira End.—All work was carried out by day labour prior to last May, since when the co-operative system has been in operation. 19 chains of lining have been completed during the year. Bad ground was encountered at this end.

Bealey End.—Work at this end continued on the co-operative principle during the whole year. Exactly the same number of chains of lining (19) was finished as at the Otira end, making 38 for the year. Only 54·51 chains now remain to complete the whole work. 183 men are employed. Arrangements for the electrification are well forward, and for this work very substantial votes will be required this and next year. If the contracts now entered into and the further works complementary thereto are carried out within the contract time, it is expected that an expenditure of £500,000 will be incurred next year, and it may be necessary to curtail expenditure on some less important lines on account of this high figure.

Kawatiri Section (59 miles 17 chains to 63 miles 8 chains = 3 miles 71 chains).—After having been closed for a lengthened period, operations have recently been resumed on this section, but only preparatory work has been done to date. It is proposed to continue construction with all the labour available in the district. Only eleven men are at present employed.

GREYMOUTH—POINT ELIZABETH.

Work on this line was commenced in April of last year with the letting of a co-operative contract for bushfelling. This has been completed, and further contracts have been let for clearing and formation. The work is proceeding satisfactorily. The employees number sixteen, but arrangements are being made to greatly increase this number.