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and other buildings at Addington, protective works at the Rangitata and Timaru, and minor additions to stations.

The Rakaia Bridge is being lengthened at its southern end for 1,460 feet, in accordance with the recommendations of the Commission appointed to inquire into the question of the river encroachments.

The contract was only entered into this month, so the work is just beginning.

The erection of the new buildings at Addington, and the removal of others, has enabled the workshops to be transferred entirely from Christchurch. With the exception of a few minor works and appliances, the Addington shops are now very complete, and they are capable of doing a great amount of work.

The protective works at Timaru, rendered necessary by the encroachment of the sea on the railway,

have cost about £1,200 during the year.

The other works done on the open lines are, generally, additions to station buildings and sidings,

and the erection of signals and other appliances required by the increasing traffic.

Preparatory to its being remodelled and extended, a complete survey and plan has been made of the Timaru Station. It is now proposed to utilize, as far as possible, the reclamation made by the sea on the south side of the breakwater for the new station; this will give more room clear of the street

traffic, and save the purchase of a considerable amount of private property.

Little River-Akaroa Branch.—The formation of the Ellesmere section, 17 miles, was finished at the beginning of the year, and since then two contracts for plate-laying have been let; the first was completed in December and the second is well advanced. After the present contract is finished the only works of importance required to complete the line to the seventeenth mile, are the plate-laying and ballasting on 1½ miles; ballasting alone on 8 miles; a small quantity of rock-facing on the slopes of embankments along Lake Ellesmere, and the necessary station accommodation, which is comparatively small.

The working survey of the continuation of the line to Little River, a distance of about 6 miles,

has been completed.

Ashburton Branch.—The Ashburton section, $10\frac{3}{4}$ miles, was finished and opened for traffic in April. A contract for the formation on another section of $8\frac{1}{2}$ miles was let in November, and the works are now nearly completed. A contract for laying the permanent way on a sub-section of the latter length is now in preparation. As previously reported, the works on the whole of the Ashburton branch are

particularly light.

Opawa Branch.—The Albury contract, which comprised the construction of a bridge over the Opawa River, with approaches thereto, was completed early in the year. The Albury Downs section, originally reserved for the "unemployed" and closed during the autumn of 1880, was re-opened for them in July and kept open till December. About £6,300 was expended on the work, the average number of men employed was 83, and the average cost of earthwork, for labour only, has been 9d. per cubic yard. A contract for bridging the two main channels of the Tengawai River was let in January, and the work is now in progress. The bridging consists of 26 spans of 40 feet and 8 spans of 11 feet, of the usual type of timber bridge.

CANTERBURY INTERIOR MAIN LINE.

The only works in progress on this line during the year are on the Oxford-Malvern section. They consist of the Eyre Bridge and the Waimakariri Gorge section. The Eyre Bridge alluded to in my last annual report was satisfactorily completed early in the year. The Waimakariri Gorge section was opened to the unemployed in July last and kept open till December, about £5,900 being expended. The average number of men employed was 108, and the average cost of the cuttings, labour only, about 1s. 1d. per cubic yard.

WAITAKI-BLUFF RAILWAY WITH BRANCHES.

Main Line.—The principal works in progress on the main line during the year are as follows: Reclamation for new station and enlargement of workshops at Dunedin; increased wharfage and station accommodation at Port Chalmers; protective works at Balclutha; and additions to wayside stations.

In consequence of objections raised by the adjoining boroughs to the removal of material from the sandhills, at all, and a misunderstanding with the contractors about the exact place where the material was to be taken from, the work of reclamation has not progressed so rapidly as it ought to have done. The first block, extending from Rattray Street to the line of Jetty Street, is, however, practically completed, so that an instalment of the goods-station can now be gone on with.

Extensive additions have been made to the Dunedin Railway Workshops during the year, and an extra piece of land has been acquired for still further extensions when necessary. All the buildings have been added to. The engine-repairing shop has been almost doubled, the carriage-repairing shop doubled, and the carriage-painting shop trebled in size. The machinery is now in course of erection. When this is done, and a few minor wants supplied, the shops will be able to execute any work required

of them.

The new steamer wharf at Port Chalmers has been completed in a very satisfactory manner, and authorities in shipping matters consider it well adapted for the requirements of the trade and port. It is necessary to deepen the berths alongside the new wharf, and the channel leading to it, by dredging. Arrangements are now being made to have the work done, but in the meantime the wharf can be used by a great majority of the vessels frequenting the port. The completion of the new station-yard, and the laying of sidings to the steamer wharf, are in progress.

The protective works at Balclutha, referred to at length in the report of the Commission appointed to investigate the question, and in my last annual report, are now approaching completion. The stone facing, the flood-bank, and a large groin are finished, and two smaller groins are in progress. These constitute all the works recommended by the Commission as necessary for the protection of Balclutha and the railway, except some openings in the railway itself. It is proposed to have the openings made during