

mence construction-work on this section of the line pending a definite decision on the question of route, the expenditure last year fell considerably below the amount of the vote. This year it will probably be larger, and an authorisation of £12,000 is therefore proposed.

RIVERSDALE—SWITZERS.

A contract for the proposed combined road-and-railway bridge over the Mataura River has been prepared, but, as the cost would largely exceed the amount of last year's vote, I have not felt justified in inviting tenders until the matter could again be submitted to Parliament.

OREPUKI—WAIATU.

The formation-works on the first four miles of this line are approaching completion, and similar work is now in hand beyond that mileage. The rails, &c., for the permanent-way of the first section have been provided, and as soon as the formation is complete the platelaying will be put in hand. The expenditure on the line last year amounted to £7,764, and this year an authority for £12,000 is asked for.

MIDLAND.

Honourable members are aware from the report of the Midland Railway Commission, which has already been presented to Parliament, of the result of the inquiry into the cost and value of the railway-works constructed by the Midland Railway Company, and of the contributions made thereto by the Crown.

Coming to the question of construction, the section of the line between Jackson's and Otira, which was wholly constructed by the Government, was formally handed over to the Railway Department for regular working in November last, but goods-trains had been running over it for nearly a year previously.

At the Canterbury end of the railway, where the works are of the heaviest description, good progress has been made. The cuttings and banks on the first four miles and a half are nearly completed, and the tunnels on the same section are approaching completion. Tenders were invited for the completion of the viaduct over Paterson's Creek, and that of Messrs. Scott Bros., of Christchurch, accepted for the work. Plans for the larger viaduct over Staircase Gully are now being prepared.

The extension of the Nelson Section of the line to Tadmor, authorised last session, has been commenced, and the earthworks are making satisfactory progress. Plans were prepared for the large combined road-and-railway bridge over the Motueka River, and tenders for its erection have recently been received and declined. The Engineer-in-Chief is now reconsidering the design of the bridge, with the view of effecting some economy in its construction.

The survey of the proposed extension from Reefton towards Inangahua was put in hand as soon as a suitable officer could be spared to take charge of the work. The line has been permanently pegged for a distance of about eight miles, and longitudinal and cross sections completed for about five miles. We hope to be able to resume construction at the Reefton end of the line during the present year. The first work to be put in hand will, of course, be the bridge over the Inangahua River.

Considerable work has been done during the year in making the necessary surveys in connection with the proposed long tunnel between Otira and the Bealey. Before definitely undertaking the construction of a work of such great magnitude, however, the Government has considered it desirable to call in further expert advice, and in pursuance of this decision we are now in communication with railway authorities of the highest standing in America, with the view of obtaining a report from an American or Canadian engineer of eminence, and of experience in the construction of mountain railways, on the different proposals that have been made in reference to the construction of this particular section of the railway.