

On the Reefton-Inangahua Section the earthworks are nearly complete for about seven miles, and the rails have been laid for half this distance. The new station-yard at Reefton is practically finished, and a contract for the removal and re-erection of the station-buildings has been entered into. The Waitahu Bridge has been completed, and is already in use for road traffic, and a tender has been accepted for the bridge at Larry's Creek.

On the Otira Section good progress has been made with the Goat Creek and Rolleston Bridges, and both are nearing completion. Considerable progress has also been made with the earthworks on this section. Tenders for the construction of the summit tunnel at Arthur's Pass, 5 miles 24 chains in length, were invited in April last in Great Britain, America, Australia, and this colony, but no satisfactory response was received. As it was considered that this result might perhaps be due to the shortness of the time for sending in tenders, fresh offers are now being invited, allowing sufficient time for tenderers outside the colony to either send their own representatives to make local inquiries or to communicate with local agents. The fresh tenders are due in March next. On the Canterbury side of the range good progress has been made, the works between Springfield and Broken River being now so near completion that there is every prospect of my last year's prediction being fulfilled, that this section would be available for traffic in time for the opening of the New Zealand Exhibition. The large steel viaduct over Staircase Gully is finished, and the smaller viaduct over Broken River is so near completion that the rails have been laid over it. A road has also been constructed from the station-yard at Broken River to the Cass, and arrangements are being made to establish a one-day through service by coach and rail between Greymouth and Christchurch. The formation-works on the railway beyond Broken River are being proceeded with, seven short tunnels being in hand, besides ordinary earthworks. The total expenditure on the several sections of the Midland Railway last year amounted to £119,212, and for the current year a vote of £100,000 is proposed.

WESTPORT-INANGAHUA.

Formation-work was commenced on this railway in December last, and fair progress has since been made. The felling and clearing of the bush is finished for a distance of five miles, and a considerable amount of earthwork has been done. The expenditure on the line up to the 31st March was £2,896, and for the current year a vote of £10,000 is proposed.

NGAHERE-BLACKBALL.

Formation-work has been proceeded with throughout the year, and fair progress made. Overtures have been made to the Government by the Paparoa Coal Company for a short extension of the line in the direction of that company's mine, and the matter is now under consideration. Last year's expenditure amounted to £9,257, and for the current year a vote of £10,000 is proposed.

GREYMOUTH - POINT ELIZABETH.

This railway was completed sufficiently to be opened for coal traffic some time since, but some finishing-works were required, on which an expenditure of £2,638 took place during last financial year.

HOKITIKA-ROSS.

The first section of this railway—viz., to Ruatapu, seven miles in length—is now in use for goods traffic, and will be available for the conveyance of passengers in time for the King's Birthday holiday. The earthworks are practically complete for a further distance of five miles, and are nearing completion along the remainder of the line. The contractor for the Totara Bridges contract is, however, much behind with his work. The contract time for the completion of these bridges expires on the 7th December next, and so far very little has been done. The expenditure during last financial year was £17,074, and for the current year a vote of £20,000 is asked for.