

*Manu Section (41 m. 29 ch. to 51 m. 48 ch.; length, 10 miles 19 chains).*—Work has been principally confined to the length between Tadmor and Kiwi Stations, at 46 m. 40 ch., which is now formed, fenced, rails laid, ballasting going on, and station buildings at Kiwi erected. It is expected that the whole of this 5 miles 11 chains will be completed and ready to hand over and open in October.

Beyond Kiwi bushfelling has been completed to the end of the section. A little earthwork and some culverts on the first mile have also been completed. Progress will now improve, as more men are being employed.

*Nelson—Westland Section, South End.*

*Reefton (North)–Inangahua (47 m. 40 ch. to 66 m. 10 ch. from Greymouth).*—The line was opened to the new station, Reefton North, at the end of last year. Some buildings and other finishing-work have been completed there since.

*The length, 5½ miles, from there to Cronadun, at 53 m.,* has been under construction in particular this year. The formation, fencing, bridges, platelaying, and some of the ballasting have been completed, and the whole is expected to be finished and ready to hand over finally to the Railway Department in August. The length was officially opened by the Right Hon. the Prime Minister on the 9th May last. The contract for the station buildings, cottages, &c., at Cronadun has been completed.

*Beyond Cronadun the formation* is completed and rails laid for another half-mile to Boatman's Creek, where a contract has just been let for the erection of a combined road and railway bridge.

Beyond this, at 55 m. 60 ch., the contract for the bridge over Larry's Creek is still in progress, but should be finished this month. About half a mile of line was formed just beyond this bridge some years back, and the bush felled, but nothing has been done lately to the formation.

Still farther on, *the combined bridge over the Inangahua River, at about 62 m.,* has been completed for some years, and has been in use for road traffic.

*Canterbury—Westland Section, West End.*

*Rolleston Section (50 m. 39 ch. to 52 m. 66 ch. from Greymouth).*—This length, which extends to within 27 yards of the west mouth of the Arthur's Pass Tunnel, has been in hand for some time by co-operative labour. Half a mile of heavy earthwork has been done, and the bridge erected at Goat Creek. Further on a similar amount of heavy earthwork and the bridge over the Rolleston has been completed. The work on this section beyond 51 m. 40 ch. will now be done under the Arthur's Pass Tunnel contract, which starts from this point, leaving only the first piece to be done by co-operative labour.

*Arthur's Pass Tunnel Contract (51 m. 40 ch. to 59 m. 40 ch.; 8 miles in length).*—The tender of Messrs. J. McLean and Son was accepted on the 1st August, 1907, for £599,794, for this contract, which includes the 5¼-mile tunnel and approaches, to be completed in five years, or by the 1st August, 1912.

The contractors have been engaged on preliminary work chiefly, this year, and only lately started the tunnel-drive at the Otira end, the first shot being fired in this drive by the Right Hon. the Prime Minister on the 5th May last.

They are now busy obtaining high-pressure water-power from Holt's Creek, at the west end, and the Punchbowl Creek, at the east end, to run electrical generators, with which to supply electrical power to work the air-compressors, light the tunnel, provide traction, and all other power purposes. It is intended to use the Ingersoll Rand Rock-drills for driving with in the tunnel.

A telephone-line has been erected and a temporary steam plant provided, which latter will be used until the water-power plant is available; a large number of cottages for workmen, residences for officers, and the usual stores, sheds, stables, and magazines necessary have been built.

*Canterbury—Westland Section, Springfield End.*

At this end the line was opened to Broken River Station (12 m. 18 ch.) on the 29th October, 1906, and it is still the railhead station.

*Cass Section (12 m. 18 ch. to 27 m. 40 ch.; or 15 miles 22 chains in length).*—Work has been going on quietly during the year on the first 1½ miles chiefly, where there are six tunnels, and the high steel viaduct over Sloven's Creek.

Of these tunnels three have been finished, except putting the fronts on, and the other three are about one-third done. The latter are pierced with bottom headings, so that access is easy to all. Beyond Sloven's Creek a high cutting is being made through the first spur, instead of the original tunnel proposed, owing to bad nature of ground met with.

Beyond this again work has been started on most of the cuttings and banks on the section, but was discontinued as the men were required to push on the North Island Main Trunk Railway.

*The Government sawmill at 6 m. 20 ch.* has been closed down for most of the year, as the available timber easily obtainable has been cut out.

*Sloven's Creek Viaduct.*—A contract to build this steel viaduct was let to Mr. Fraser during the year. He started work on the ground last January, and now has most of the concrete-work completed. The steelwork for the viaduct is being manufactured by the firm of Massey Bros., in Auckland: some is nearly ready, and will be taken on to the ground ready to erect at once.