

ARTHUR'S PASS TUNNEL.

Work in connection with the construction of Arthur's Pass Tunnel has proceeded steadily throughout the year. At the Otira end the work has been carried out by day labour, 32½ chains of bottom heading has been driven through slate-rock and 17½ chains of excavation and lining completed. From the Bealey end 15½ chains of bottom heading has been driven through greywacke rock, and 3½ chains of excavation and lining completed.

Owing to the shortage of labour, the process of enlargement and lining has been considerably retarded, the average number of men working per shift being 26·8 at the Otira end and 12·9 at the Bealey end. The position at the end of March is that the bottom heading has been driven nearly 4 miles 46 chains, and the tunnel lined and excavated about 3 miles 60 chains. A distance of about 60 chains remains to be driven to connect the headings from each end of the tunnel.

CULVERDEN-WAIAU.

The whole of the formation, with the exception of about 5 chains at the Waiau end, has been completed. Rails have been laid to within 4 chains of the terminus. The first lift of ballasting has been completed to the rail-head, and the second lift is in progress.

Since the beginning of October last a goods service has been run by the Public Works Department between Culverden and Waiau, and *vice versa*, since the end of February last.

WAIMATE BRANCH EXTENSION.

No work has been done on this railway during the past year.

TUAPEKA MOUTH BRANCH.

Two trial surveys to connect the Hillend district with the main line were completed during the year, but further trials will have to be made before a route can be definitely selected.

OTAGO CENTRAL.

Formation-work on the extension from Clyde to Cromwell has been completed, and extensive damage caused by a thunderstorm in November last repaired. Three concrete bridges have been built, rails laid, and the line partially ballasted to within two miles of the Cromwell Station. A goods service has been maintained during the year between Clyde and the Half-way Station in the Gorge. The repair of washouts caused by the November floods will delay the opening of this extension.

WAIAU-ORAWIA.

No construction-work has been undertaken during the year, but a few workmen were retained to do bush-clearing work over about one mile of the route.

OTHER RAILWAY-WORKS.

The expenditure out of the Public Works Fund under the heading "Additions to Open Lines" amounted to £285,543. Of this sum £250,321 was expended in the provision of additional rolling-stock, Westinghouse brake, steam-heating gear, electric light for cars and workshop machinery. The balance covered expenditure on improvements to station accommodation and yards, installation of tablet, telegraph, and telephone facilities, signalling and interlocking, improvements to wharves, and purchase of land.

ROADS ON GOLDFIELDS (MINES DEPARTMENT).

The total allocations under this head last year amounted to £41,766, on account of which a vote for £30,000 was taken. The expenditure during the year was £17,099, and the sum proposed to be allocated for the current year is £28,258, on account of which a vote of £20,000 is asked for.