

In Canterbury the first main line to be mentioned is that from North Kowai to Rangiora, including the very large bridge over the River Ashley. It is all under contract and is progressing satisfactorily; the whole work is in the hands of Mr. E. G. Wright. The line should be open to the South Kowai early next year.

We next have the extension southwards from the Rakaia to the south side of the Rangitata, including three large bridges and one of a smaller description over the Hinds.

The first section to the Ashburton has been worked with goods traffic for the past three months, under an arrangement with Mr. Wright, the contractor. This arrangement was made at the request of the Provincial authorities in compliance with the urgent demands of the public. It will be opened for general traffic in a few days.

It is proposed to open the line from thence to the Hinds River, about the 1st of January, and the completion through to the South Rangitata by the middle of 1875.

The continuation to Temuka is about to be let, and the time fixed for completing the Orari Bridge and the formation of the railway is next May, as it is also for the completion of the short length from Temuka to Young's Creek. The laying of the permanent way may then be proceeded with rapidly from both ends, and should be completed through from Christchurch to Timaru about August or September, 1875.

The Timaru to Young's Creek is now well advanced, and the rolling stock has been transported to Timaru, and is being fitted up. This length can be opened in about two months.

From Timaru south to the Waitaki the whole is ready for contract. The first length, to the Pareora, is let; and it is proposed at once to advertise the remainder, giving about eighteen months for completing the formation and bridges, making the time of completion for the whole about December next year.

Owing to the difficulty in landing materials required for the railways between Timaru and Oamaru, great delays take place, and it is impossible to calculate with certainty when these portions of the lines can be completed, but the dates I have given may, I think, be relied upon.

Before leaving Canterbury, I have to notice the branch line from Rangiora to Oxford. The completion of this has been delayed owing to the want of sleepers, but it is expected that it will be completed within the contract time—the end of November next.

The Racecourse and Southbridge line is under contract, and the date for completion is fixed for January next.

On the Rolleston and Malvern, and White Cliffs lines, the works are nearly completed, and the plate-laying of the last portion is expected to be done by December next.

All the station buildings for these branch lines are under contract, and will be ready in advance of the requirements.

Owing to the high price of iron, the appropriation for these branch lines will not be sufficient by about the amount required for the Waimate branch, and arrangements will have to be made to provide funds for that work.

All the rolling stock for these branch lines is in the colony, and that for the trunk lines is either here or its shipment has been advised.

We next have the Waitaki Bridge. The completion of this is under contract to Messrs. McGavin and Company, and should be finished about November, 1875. Every endeavour will be made to keep the contractors to their contract time, and a bonus is offered them to finish it earlier. It has been found necessary to add an extra six feet to all the cylinders, which are now on the way from England, and a further appropriation will be required to cover the cost. I alluded last year to the great delay caused by the alteration in England of the design for this bridge, and need not further allude to it, except to repeat my personal opinion that the original design would, at very much smaller cost, have answered the purpose.

We are now in Otago, and we have first the Waitaki and Oamaru line. Here the difficulty of supplying sleepers has been greatly felt. I hope that in the course