35 E.—3.

Waimate Branch.—As this branch leaves the main line south of Timaru, where the main line itself has not yet been begun, it would be of course useless to begin the branch.

SELWYN TO RAKAIA.

Opened for traffic before beginning of present year.

RAKAIA TO ASHBURTON.

This line is opened for goods traffic, being worked by the contractor, Mr. E. G. Wright. It will be opened shortly for passenger traffic, and handed over to the Provincial Government.

The bridge over the Ashburton is well forward, nearly all the piles having been driven and three of the spans erected.

ASHBURTON TO TEMUKA.

From the Ashburton, for 18 miles southwards to the Rangitata River, including the bridge over that river, the works have been let to Mr. E. G. Wright. The formation is mere scratching, the bridge, with its approaches, being the only works of any importance. The ironwork for the bridge has been ordered in England, and the timber from Australia.

TEMUKA TO TIMARU.

The rails are linked in for about 8 miles from Timaru, and rolling stock is being erected. The bridges across the Temuka and Opihi are not yet begun, but arrangements for the delivery of timber have been made by the contractor, Mr. Wright.

TIMARU TO WAITAKI.

The surveys for this line are completed, and tenders invited for the first section of 6 miles 65 chains.

WAITAKI BRIDGE.

The cylinders for the piers of this bridge are being sunk into the shingle by the pneumatic process. Four air-locks have been furnished by the Government, but as the contractor has not yet got sufficient steam power on the ground to work them all, only two have as yet been in use. The cylinders are sunk the first few feet by means of Webb's Patent Excavator; but it is found that they cannot be sunk to the full depth by this process, and the work has to be finished up under air pressure.

Little more than a start has been made with the work, although a good many of the cylinders have been pitched and partly sunk.

WAITAKI TO MOERAKI.

From Waitaki to Oamaru the work is done up to formation except two bridges, which are in hand. The work has been delayed by extra works shown to be necessary by recent floods.

From Oamaru to Moeraki the works are in the hands of Messrs. Brogden and Sons. I trust that both the Government and the contractors having changed their representatives there lately, the work will go on more satisfactorily than it has done. The bridges are all behindhand, absolutely no timber having been yet delivered. The earthworks are well advanced.

An important culvert near Oamaru was finished, and the bank 40 feet high carried on to it, and left with the tip just over the culvert, which stood this undue pressure for five weeks, when it rolled over. The culvert is now being rebuilt by the contractors.

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Near Moeraki, after a period of wet weather, the hill sides began to slip, and an alteration of the line for half a mile will be required.

MOERAKI TO DUNEDIN.

The first section of 1 mile 13 chains was let to Messrs. McKenzie and Co., who began work within twenty-four hours of signing their contract, and have since pressed on the work with energy. It consists of a tunnel 1,400 yards long, and the approach cuttings and banks. The material of the hill is a hard breccia, as far as the headings have gone, but borings show that sandstone will be met further on. The surveys for the rest of the line are going on.

DUNEDIN TO PORT CHALMERS.

The wharf at Port Chalmers is progressing well, and will be completed within the contract time, 23rd October.

Land has been reclaimed at Mussel Bay, which will be required for station room, which is at present very cramped indeed.

DUNEDIN TO CLUTHA.

Six miles at the Dunedin end have been opened for traffic; the rails are laid for 18 miles more; and the formation of the rest of the line, exclusive of bridges, finished, except a short piece at Chain Hills Tunnel. The bridgework is here, as on most of Messrs. Brogden's contracts, behindhand, scarcely any timber having been yet delivered.