TOKOMAIRIRO TO LAWRENCE.

This has been let in five sections, and all are going on well except the first, which is behind time. Three Fairlie locomotives have been ordered for this line.

CLUTHA TO MATAURA.

The ironwork for the bridge over the Clutha has been ordered and contracted for in England. The erection and woodwork have also been let in New Zealand. The surveys for the line are completed.

MATAURA TO INVERCARGILL.

12 miles from Invercargill have been opened for traffic, and handed over to the Provincial Government. The remaining works are well forward.

WINTON TO KINGSTON.

The first length of 22 miles should have been completed on 23rd May last, but is still unfinished, and will not be ready until about the end of September. The next length, reaching to the 50th mile from Winton, has been lately let.

SURVEYS.

Browning's Pass.—A survey has been made by Mr. Browning of the pass at the head waters of the Rakaia known as Browning's Pass, to ascertain whether a railway could be carried from Hokitika to the East Coast. It will be seen from his report, which is attached, that a line, which may be described as only just practicable, might be made at a cost of about £810,000. Before anything should be undertaken to connect the East and West Coasts of the South Island by rail, some of the other passes should be explored, and I would recommend a trial of the Amuri Pass.

Foxhill to Buller.—Full trial surveys have been made of this line, but the office work is not yet sufficiently advanced to form estimates of cost. The line is very unfavourable, as gradients of 1 in 34 are necessary, and there will be about three miles of tunnelling, with other heavy works. I hope to have estimates prepared in about six weeks.

STAFF.

Before closing, I beg to express my thanks to the engineers and other officers of the department for the zealous assistance I have uniformly received, and without which the vast amount of work done during the past year could not have been got through. A very great deal of mechanical drafting work has been saved by the use of photo-lithography, which has been freely used in making copies of plans and maps. By its help a great saving of money, and still more of valuable time, has been made.

I have, &c.,

John Carruthers,

The Hon, the Minister for Public Works.

Engineer-in-Chief.