

During the current period a large step forward has been made, and on the northern end the section from Wharanui to the Clarence, a distance of approximately 20 miles, has, with the exception of the Blue Slip, been completed, rails have been laid, and ballasting is well in hand.

Station-yards have been constructed at Kekerangu, Parikawa, and the Clarence.

I hope to arrange with the Railway Department for the transport of stock over this section during the ensuing season.

On the southern end construction is practically completed to the Hundalee Station, 11½ miles from Parnassus, rails have been laid, and ballasting is almost completed, and arrangements have already been made for the running of a limited amount of traffic over this section.

Work is now being concentrated on the central section, and the majority of the grading, apart from tunnelling-work, has been finished. There is still, however, a considerable amount of tunnelling to do, but of the twelve remaining tunnels all are under construction, and on the general average are about 50 per cent. complete.

The principal tunnel on this section has, of course, been that through the Amuri Bluff, where extremely difficult underground conditions have been met with, and these have necessitated an increase in the section of concrete lining in order to cope with the very heavy pressures experienced.

Good progress has been made with the bridging, the principal remaining works being the construction of the Hapuku River Bridge (for which a contract has been let), the Kowhai, Kahautara, Oaro, and Okaribia Bridges.

During the period the sub-structure of the Clarence Bridge was completed, and this is now ready for the erection of the steel girders, which have been delayed owing to difficulty in obtaining material.

The Conway River Bridge, which is of considerable magnitude, was also completed, as well as some half a dozen smaller bridges.

On account of the very steep nature of a great deal of the sea coast-line along which this railway is being constructed it has been necessary in many cases to traverse places where the line would be exposed to considerable wave action, and in these places heavy protective works are required, stone being obtained from the quarry at Goose Bay for this purpose. It is anticipated, however, that a certain proportion of very heavy concrete blocks will have to be manufactured and deposited at the toe of these banks, in order to provide the very substantial protection necessary. This will, however, be among the last works to be carried out, and can only be put in hand after the formation at these various places has been completed.

It is unnecessary for me to enlarge on the natural obstacles and difficulties which have had to be overcome in the construction of this railway, as many of these have been fully detailed in my previous Statements. It is, however, satisfactory to record that the rate of progress has been well maintained and the completion of this very important project is now definitely in view.

*Westport-Inangahua Railway.*—Steady progress was maintained on this railway during the past year. The progress was retarded and the difficulties increased by the exceptionally heavy rainfall, which amounted to 211.5 in. for the year.

The bridging programme was rendered difficult on account of the shortage of carpenters, due to the heavy demand in the main centres of population for carpenters for the housing programme. This shortage was successfully overcome by employing semi-skilled workers on co-operative contract. Modern plant was used as much as possible, but its use is considerably restricted due to the abnormal rainfalls making the ground too soft to carry the plant.

During the year the two remaining tunnels were completed, and of a total of 3,605 lineal feet of bridging, 1,885 lineal feet is completed, 1,227 lineal feet is under construction, and it is anticipated that all except 275 lineal feet will be completed by the end of the year.

The formation is completed, except for two gaps with a total length of 1 mile 70 chains which are in hand.

A contract will shortly be let for the platelaying of the 17½ mile gap between the railheads.