

There are to be 2,050 sleepers per mile, to be spaced as directed. The following timbers to be used to the extent of not less than 75 per cent. of the whole :—Totara, jarrah, Oregon pine, kauri, or puriri. The remaining 25 per cent. may be of matai (*Podocarpus spicata*) or birch (*Fagus fusca* or *Solandri*). They shall be 7 feet long and 7 inches by 5 inches, all of heart.

They are to be flatted top and bottom, true and out of wind ; but any extra width beyond 7 inches need not be removed.

The rail seats are to be accurately adzed to a correct bevel.

The rails will weigh 40 lbs. to the yard ; they will be jointed with Ibbotson's patent steel clip-joint, weighing about 12 lbs. each joint, and fastened to the sleepers by six fang-bolts to each rail, and two spikes to each sleeper, where fang-bolts are not used.

One half of the rails and fastenings will be delivered to the Contractor on the beach at Moeraki, and one half on the beach at Oamaru, and the Contractor shall be responsible for all materials delivered to him.

USE OF PERMANENT WAY MATERIALS BY CONTRACTOR.

18. Permanent way materials shall not be laid down or employed, without written permission of the Engineer, within 100 yards of the face of any excavation or the end of any embankments, nor used for hauling earthwork before the ballast is laid. When the Contractor shall have complied with the above requirements, he may use the rails and other permanent way materials for the purpose of hauling earthwork or materials on parts of the line.

SIDINGS.

19. The Contractor shall construct at his own cost, at such points as may be indicated by the Engineer, 2 miles of sidings, including the necessary earthwork, ballast, sleepers, and laying of permanent way, similar to that of the main line without the points and crossings. He shall also make and construct, wherever required, such Station grounds, buildings, points, crossings, extra sidings, telegraph and other things as may be required for Station accommodation, and shall furnish the Engineer monthly with a detailed statement, showing their actual cost exclusive of all cost of management, properly supported by vouchers, or as otherwise directed, and to this cost a sum equal to £10 per centum shall be added for Contractor's profits, and this amount shall be in addition to the contract sum.

TELEGRAPH.

20. A single wire telegraph will be constructed by the Government, and the use of it allowed to the Contractor during construction of the works. During the period of maintenance, the Government will transmit, free of charge, all messages sent by the Contractor on the business of the railway.

USE OF ROLLING STOCK.

21. The Government will furnish the Contractor with such locomotives and rolling stock as they may have on the line ; the Contractor to pay the wages of the engine-drivers and stokers, who must be approved by the Engineer, and to furnish fuel, water, oil, grease, waste, &c., at his own expense.

The Contractor shall also return such rolling stock as may be lent to him in as good order as when received by him—reasonable tear and wear excepted.

In the event of the Government being unable to supply locomotives and rolling stock when needed by the Contractor, an extension of time will be granted for the completion of the contract, such extension of time to be fixed by the Engineer.