

STRATFORD—MAIN TRUNK.

West End.

Tahora Section.—Formation work is now completed on this section to 47 miles 24 chains. Tahora station-yard and all embankments have been widened to full width. Ballasting, however, had to be discontinued owing to the temporary closing of the Railway Department's metal-pit at Mount Egmont.

Private crossings have been made by the erection of several small bridges. Culverts have been constructed, permanent fences totalling 1 mile 67 chains in length erected, and the service road efficiently maintained.

A bi-weekly passenger and goods service for the convenience of settlers has been run to connect with the Railway Department's service at Tahora.

Heao Section.—Trial surveys have been undertaken to investigate the possibilities of (a) a square crossing at the Tangarakau, (b) a more direct route from there to Mangatatoka, and (c) a deviation between 54 and 57 miles. The location of over 4 miles of service road has been completed, and to expedite future operations the pack-track to Tangarakau has been improved.

East End.

Matiere Section.—Formation was continued in banks and cuttings; 11½ chains of top-heading and full excavation in Okahu Tunnel were completed, as well as a similar amount of side and arch lining.

Good progress was also made with two smaller tunnels. The abutments and piers of Ongarue Bridge were completed, but further progress is retarded pending the arrival of steel girders.

OTIRA—BEALEY.

Otira Tunnel.—At the Otira end all work has been carried out by day labour. The bottom heading has been driven 691 ft., and approximately 200 ft. of this timbered.

Slow progress was made with the enlargement and lining, owing to the difficulty of obtaining suitable labour.

At the Bealey end work for the first half of the year continued on the day-labour system, but was changed to contract in September. The bottom heading was driven 413 ft., where it met the drive from the Otira end. The progress of enlargement was hampered for the same reason as at the Otira end.

CULVERDEN—WAI-AU.

A daily goods-service has been maintained throughout the year. Four plate-layers' cottages, one Stationmaster's residence, and two workmen's huts were erected. Ballasting operations over about 8½ miles were carried out. This latter work, however, was retarded by the flooding of the pit last winter and early spring, as well as by the heavy snow experienced. A 4-ton crane was erected in Waiau station-yard, and a 55 ft. cast-iron turntable partly assembled. The line is, however, now in a forward condition, and should be finally completed before Christmas.

OTAGO CENTRAL.

Clyde-Cromwell Section.—Since January last a regular passenger-train service has been maintained between Cromwell and Clyde, connecting with the Railway Department's service at Clyde. This necessitated the removal of all workmen, locomotives, &c., to the Cromwell end. One Stationmaster's house, five plate-layers' cottages, and one passenger-station building were erected. A small reservoir, together with a pipe-line for water-supply to the Cromwell Station building, was completed.

Ballasting has been finished, except boxing, between 48 miles 60 chains and Cromwell.

ADDITIONS TO OPEN LINES.

The expenditure out of the Public Works Fund under the heading "Additions to Open Lines" amounted to £91,904. Of this sum £56,438 was expended in the provision of additional rolling-stock, tarpaulins, Westinghouse brakes, and work-