

The following extensions have been opened during the year ending 31st March, 1895:—

Ruatangata to Waro	M. ch.
Tarukenga to Rotorua	8 06
Middlemarch to Hyde	8 56
Glenomaru Tunnel, Catlin's River Branch	16 20
Mokotua to Gorge Road, Seaward Bush Branch	0 33
Mokihinui Coal Company's line taken over	6 62
	3 69
Total	44 06

Following are the comparisons of the traffic, revenue, and expenses for the past fifteen years:—

Year.	Miles.	Revenue.	Expenditure.	Expenditure per Cent. of Revenue.	Tonnage.	Parcels, Horses, and Dogs.	Cattle, Sheep, and Pigs.	Passengers.	Season-tickets.
		£	£			No.	No.	No.	No.
1880-81	1 277	836,454	521 957	62.40	1 377 783	286,865	300 704	2,849,561	6,499
1881-82	1 319	892,026	523,099	58.64	1 437 714	316,611	343 751	2 911,477	7 207
1882-83	1 358	953 347	592 821	62.18	1 564 793	341 186	477,075	3 283,378	8,621
1883-84	1 396	961 304	655 990	68.24	1 700,040	359 896	686,287	3,272,644	9,036
1884-85	1 477	1,045 712	690,026	65.99	1 749,856	347 425	729,528	3,232,886	8 999
1885-86	1,613	1,047 419	690,340	65.91	1,823 767	349 428	853,662	3,362 266	10,717
1886-87	1 727	998 768	699,072	69.99	1 747 754	372 397	942,017	3 426,403	11 821
1887-88	1 758	994,843	687 328	69.09	1 735 762	399 109	940 209	3,451 850	11 518
1888-89	1 777	997,615	647 045	64.86	1 920,431	399 056	919 392	3 132 803	11 817
1889-90	1 809	1,095,570	682 787	62.32	2,073,955	405,838	1 068,575	3,376,459	12,311
1890-91	1 842	1 121 701	700,703	62.47	2,086,011	413,074	1 348,364	3 433 629	13,881
1891-92	1,869	1 115 432	706 517	63.34	2,066 791	430 216	1 153 501	3 555 764	16,341
1892-93	1 886	1 181 522	732,142	61.97	2,193 330	460,383	1 393 457	3 759,044	16,504
1893-94	1 948	1 172,793	735,359	62.70	2,060,645	486,787	1 433 679	3 972,701	17 226
1894-95	1,993	1 150,851	732 160	63.62	2,048,391	479,683	1,604 108	3,905,578	28 623

And also of the traffic in local products for the past ten years:—

Year.	Wool.	Timber.	Grain.	Minerals.	Horses and Cattle.	Sheep and Pigs.
	Tons.	Tons.	Tons.	Tons.	No.	No.
1885-86	74,778	202,572	413,847	669,081	46,152	822,028
1886-87	82 963	175 581	345,254	719,579	46,600	904,582
1887-88	84 147	158 024	358,021	700 140	42 067	907,443
1888-89	78,203	160,399	447 027	786 690	37,804	889,966
1889-90	91,214	172 814	498,199	797,117	41,058	1,036,875
1890-91	87,701	153,078	528 683	828 079	44,999	1,313,155
1891-92	85,888	170 521	442 277	873,899	47,618	1,117,253
1892-93	96,842	168,910	523,637	884 031	46,590	1 359 860
1893-94	101 340	183,192	411,191	864 538	51 573	1 394,456
1894-95	103,328	198,578	388,556	857 917	52 075	1 563 213

Passengers have decreased in number 67,123, and in revenue £18,237 This I attribute to the low price ruling for produce, which has no doubt caused less money to be available for spending on travelling. The decrease in numbers would have been larger but for the new departure instituted on the 17th January, 1895, for school excursions. No less than 41,466 school-children and 23,673 adults have been carried up to 31st March, 1895.

Season-tickets have increased in number 11,397, and in revenue £1,367, attributable to the popularity of commutation tickets and the introduction of workmen's twelve-trip tickets.

The goods traffic has decreased by 5,367 tons, and £3,135 revenue, which is accounted for by a falling-off in grain of 22,635 tons, due to diminished acreage under crop, and in minerals of 6,621 tons, principally due to the reduced output of the West Coast coal-mines. Merchandise, timber, firewood, and wool all show increases. Cattle give a small increase of 413 head, and sheep the large increase of 163,487

A reduction in the sheep rates, made on 4th February, 1895, has led to a substantial increase in the number carried. During the two months ending 31st March, 1895, 476,096 have been carried, as compared with 427,168 for the corresponding period of the previous year, an increase of 48,928. The rolling-stock has been severely taxed to meet the increasing sheep traffic, and it will be necessary to augment the existing supply of sheep-trucks, more especially on the Wellington and Napier-Taranaki Sections.

Turning to the Expenditure Account, it will be observed that the increasing age of the lines and structures has led to an additional expenditure in the cost of maintenance, the increase in this department amounting to £4,267 for the year This item of expenditure may reasonably be expected to increase for some years to come, until the lines are more generally relaid with 53lb. steel rails, and the bridges rebuilt with more durable materials. When this important work has been accomplished the present cost of maintenance will be materially reduced more powerful engines can be employed, enabling heavier trains to be run, and thus reduce the cost of working.