

The time-table has been improved by extending the running of the 12.35 p.m. train, Hukerenui-Whangarei, two days a week, making it a daily service instead of four days a week as formerly. Increased mileage per annum, 4,225 miles.

Kawakawa Section.

There is a moderate improvement in traffic for the year, both in passengers and goods, there being an increase of 1,741 passengers and 1,282 tons in goods traffic.

The outcome of the year's work is most satisfactory, and, compared with the previous year's, shows a large expansion of business. The total earnings for the year amounted to £1,974,037 15s. 11d., as against £1,874,586 9s. 7d., an increase of £99,451 6s. 4d.

There has been a large increase in the passenger traffic, 7,575,390 passengers having travelled, as against 7,356,136 last year, an increase of 219,254. There has also been a considerable increase in season tickets, 118,431 having been issued, an increase of 17,653 over the previous year.

This advance in passenger business is all the more noticeable in view of the abnormal and exceptional passenger traffic induced by the visit of the Duke and Duchess of Cornwall and York to the colony, the despatch of troops for South Africa, and the occurrence of two Easters in the previous year, ending 31st March, 1902.

Although, however, the growth of passenger business has been so satisfactory, the revenue derived therefrom has not, on account of the large reduction in the fares, increased to any extent, the passenger revenue for the year being £576,529 9s. 7d., as compared with the previous year £575,697 9s. 3d., there being therefore an increase of only £832 0s. 4d. to represent the increased number (219,254) of passengers.

The season tickets issued for the year (118,431), an increase of 17,653, represent an increase in revenue of £3,846 16s. 3d.

The revenue from excursion traffic was £109,329 19s. 9d.

The goods traffic also shows a great improvement over the previous year, the tonnage for the year being 3,730,394 tons, an increase of 201,217 tons. Increases occur in all classes of traffic, except in grain, in which there is a large decrease, due to the deficiency in last year's harvest.

There has been a phenomenal increase in sheep traffic, the number carried for the year being 3,821,333, as against 2,724,860 for last year, an increase of 1,096,473. The equivalent tonnage for the total live-stock traffic for the year shows an increase from 137,862 tons last year to 187,866 tons for the year under review, an increase of 50,004 tons.

The revenue from goods and live-stock traffic amounted to £1,189,100, an increase over last year of £78,526.

Grand total mileage of additional permanent trains per annum: Mixed and passenger, 194,753; goods, 51,844: total, 246,597.

The increase in goods mileage is due to the continued expansion of traffic and the acceleration of mixed trains.

The large increase in passenger- and mixed-train mileage is chiefly due to the great improvement in the Auckland time-table.

Appended is a comparative statement showing the average late arrivals of trains at destination for the year ending 31st March, 1903, and for the previous year. Express and mail train, 1.18, as against 1.79; long-distance and mixed trains, 1.25, as against 1.71; suburban trains, 0.57, as against 0.78.

RETURN SHOWING AVERAGE LATE ARRIVALS OF TRAINS AT DESTINATION.

	Period ending													Average for Year
	Apr 6.	Ma 2	June 21.	July 19.	Aug. 16.	Sept. 13.	Oct. 11.	Nov. 8.	Dec.	Jan 3.	Jan. 31.	Feb. 28.	Mar. 31.	
<i>Long-distance Fast Passenger Trains.</i>														
Year ending 31st March, 1903	1.08	1.40	1.57	1.09	0.48	0.42	0.57	0.63	0.88	2.44	2.79	0.89	1.14	1.18
Year ending 31st March, 1902	3.01	1.96	3.54	4.22	0.88	0.85	0.47	0.42	0.77	2.10	1.10	0.83	3.07	1.79
<i>Long-distance Mixed Trains.</i>														
Year ending 31st March, 1903	2.73	1.57	2.18	1.07	0.98	0.69	0.71	0.86	0.82	1.10	1.20	1.27	1.12	1.25
Year ending 31st March, 1902	3.06	2.07	2.87	3.12	1.03	0.90	0.79	0.79	1.02	1.27	0.94	1.36	3.04	1.71
<i>Suburban Trains</i>														
Year ending 31st March, 1903	1.17	0.57	0.99	0.74	0.39	0.31	0.31	0.28	0.55	0.52	0.57	0.50	0.51	0.57
Year ending 31st March, 1902	1.13	0.85	1.59	1.60	0.69	0.44	0.42	0.47	0.38	0.56	0.55	0.71	0.70	0.78

During the year a new agreement was entered into with the Wellington and Manawatu Railway Company, in which provision was made for through booking of passengers on continuous mileage and for the interchange of trains, the company's mail-train running through from Welling-