

The expansion of business during the year has been most satisfactory, every section showing an increase.

To meet the increased demands of traffic, the train-service has been improved in various parts of the colony, the principal alterations being—

Auckland Section : Daily service to and from Taumarunui.

Napier-Wellington District : Additional suburban trains on week-days and Sundays.

Wanganui District : Additional goods and passenger services between Palmerston and New Plymouth.

Christchurch District : New fast passenger service between Christchurch and Culverden.

The net increased mileage per annum of permanent trains was—Mixed and passenger, 149,362 miles ; goods, 8,112 miles.

Appended is a comparative statement showing the average late arrival of trains at destination for the year ended the 31st March, 1904, and previous year :—

RETURN SHOWING AVERAGE LATE ARRIVALS OF TRAINS AT DESTINATIONS.

—	Period ending													Average for Year.
	April 25.	May 23.	June 20.	July 18.	Aug. 15.	Sept. 12.	Oct. 10.	Nov. 7.	Dec. 5	Jan. 2.	Jan. 30.	Feb. 27.	Mar. 31.	
Mail and Express Trains.														
Year ending 31st March, 1904	1.41	0.28	1.08	0.34	0.51	1.08	0.09	0.73	0.72	0.94	0.73	1.09	1.46	0.80
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
Long-distance Mixed Trains.														
Year ending 31st March, 1904	1.64	0.69	1.25	1.70	0.87	0.83	0.40	1.09	0.84	1.02	0.85	0.90	1.54	1.05
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
Suburban Trains.														
Year ending 31st March, 1904	0.82	0.50	0.55	0.21	0.15	0.12	0.12	0.17	0.29	0.41	0.18	0.32	0.31	0.32
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

The present indications are that the revenue results for the ensuing year will be equally satisfactory.

STORES.

Mr. Geo. Felton, Stores Manager, reports as follows :—

The value of stores (purchased under the Railway vote) on hand on the 31st March, 1904, at the various depots amounted to £192,899 19s. 1d., as against £190,414 2s. 4d. on the 31st March, 1903.

The value of the stores on hand on account of additions to open lines amounted on the 31st March, 1904, to £23,088 4s. 8d., as against £37,114 5s. 2d. on the 31st March, 1903.

The stock is in good order, has been carefully and systematically inspected, and is value for the amounts stated.

The conduct of the staff as a whole has been satisfactory.

I have, &c.,

T. RONAYNE,

The Hon. the Minister for Railways.

General Manager.