

ANNUAL REPORT ON WORKING RAILWAYS.

The GENERAL MANAGER, New Zealand Railways, to the Hon. the MINISTER for PUBLIC WORKS.
SIR,—

I have the honour to report upon the opened railways for the financial year ending the 31st March, 1887.

The length of line opened at the end of the year was 1,727 miles. The Waimea Plains Railway was taken over to be worked by the Government on the 14th November, 1886. According to the terms of purchase the line was deemed to have become the property of the colony from the 1st April, 1886, and the revenue and expenditure of the company from that date to the 13th November, 1886, have been incorporated in the annual accounts.

The total length of railway opened during the year, including the Waimea line, was 114 miles. Thirty-six new stations have been added.

The net revenue earned represents £2 6s. per cent. on the estimated cost of the opened lines.

The highest rate is paid by the Greymouth line, £5 10s. 2d. per cent.; and the next highest by the Westport line, £4 16s. 8d. per cent.

The traffic under the heads of passengers, parcels, live stock, wool, and minerals has increased, while that of timber, grain, and merchandise has decreased. It is to be regretted that the extensive reductions in the rates which have been carried out should have been followed by a falling-off in the imports of merchandise, diminishing the most profitable railway traffic, and that the much smaller production of grain, due to the low market prices, and the lessened demand for timber, due to the cessation of building and settlement, should have occurred at the same time. The grain-traffic loss has been superseded by an increased traffic in live stock; but, the low rates at which the latter traffic and that of minerals is necessarily carried, do not return a revenue at all equal to that lost on the classes of traffic which have fallen off. The traffic was greatly affected during the early part of the year by the heavy and continuous floods in the South. A fire in Dunedin caused the loss of a goods-shed, and heavy losses in claims and expenses.

Following are the comparative tables of traffic and expenses :—

COMPARISON OF TRAFFIC AND REVENUE FOR EIGHT YEARS.

Year.	Miles.	Revenue.	Expenditure.	Tonnage.	Parcels, &c.	Cattle, Sheep, &c.	Passengers.	Season Tickets.
		£	£		No.	No.	No.	No.
79-80	1,172	762,573	580,030	1,108,108	180,331	285,209	2,967,090	5,077
80-81	1,277	836,454	521,957	1,377,783	286,865	300,704	2,849,561	6,499
81-82	1,319	892,026	523,099	1,437,714	316,611	343,751	2,911,477	7,207
82-83	1,358	953,347	592,821	1,564,793	341,186	477,075	3,283,378	8,621
83-84	1,396	961,304	655,990	1,700,040	359,896	686,287	3,272,644	9,036
84-85	1,477	1,045,712	690,026	1,749,856	347,425	729,528	3,232,886	8,999
85-86	1,613	1,047,419	690,340	1,823,767	349,428	858,662	3,362,266	10,717
86-87	1,727	998,768	699,072	1,747,754	372,397	942,017	3,426,403	11,821

The traffic in local productions of the colony during the past eight years is as follows :—

		Wool.	Timber.	Grain.	Minerals.	Horses and Cattle.	Sheep and Pigs.
		Tons.	Tons.	Tons.	Tons.	No.	No.
1879-80	...	41,895	149,428	240,144	321,060	30,393	260,816
1880-81	...	42,387	169,695	421,142	406,266	27,230	280,683
1881-82	...	44,681	192,905	375,725	433,659	32,511	319,837
1882-83	...	51,703	197,231	367,428	510,088	37,455	449,470
1883-84	...	62,066	183,449	432,223	574,312	39,230	656,612
1884-85	...	68,523	178,909	414,590	618,512	43,096	696,790
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

Details of the traffic are shown on Return No. 5. The number of passengers has slightly fallen on the Auckland Section, but the revenue from them has increased; the numbers have increased chiefly on the Napier, Wellington, and Wanganui Sections. The live-stock traffic has increased on the Wanganui, Napier, and Hurunui-Bluff Sections. Live stock, chaff, firewood, timber, mineral, and merchandise traffic has fallen off on the Auckland Section, owing to the commercial inactivity prevailing in the district. The agricultural produce alone shows an increase: this traffic is chiefly carried from Auckland inland by rail. The rates also being lower the loss of goods revenue is large, amounting to £12,344. The cessation of the large outlay on works between Morrinsville, Lichfield, and Te Aroha towards the close of the previous year tends to make the comparison unfavourable.

The traffic on the Napier and Wellington Sections has been stimulated by the outlay on extensions; on the Hurunui-Bluff Section the diminishing expenditure upon extensions has tended to lessen the general traffic.

The wool traffic has increased very largely on the Napier, Wellington, Wanganui, and Hurunui-Bluff Sections.

During the year exceptionally heavy floods did much damage north of Christchurch, at Addington, between Oamaru and the Bluff, and on the Little River and Otautau branches: such heavy floods have not occurred since 1879.

Great damage occurred at the Taieri, causing a suspension of the traffic, loss of revenue, and a heavy outlay on repairs.