

The foregoing table indicates that the number of passengers has increased 19·98 per cent., the revenue from ordinary passengers £8·78 per cent.; season tickets, increase in number 132·53 per cent., and in revenue £41·39 per cent.; goods tonnage increase 15·94 per cent., goods revenue increase £16·09 per cent. It cannot be expected that existing facilities can successfully cope with a business increasing in such a remarkable manner, and which expansion, in view of the energy of the people, the fortunate results following upon the cutting-up of large estates for closer settlement, the increased production of gold, and cheap money, is, as far as I can see, likely to continue for some time to come.

It is proposed to provide all new second-class carriages and conversions with cushions for the base of the seats; also to similarly cushion existing second-class bogie-carriages as they are sent to the workshops for repairs.

In order to better protect trains from accidents arising from collisions with live-stock straying on the railway-lines, it is proposed to bring the Railway Department under the provisions of the Fencing Act, and to gradually erect fences along the unprotected portions of the existing lines.

With a view to encouraging workmen who pursue their calling in Wellington to live at Petone and Lower Hutt, the issue of workmen's tickets at specially low rates was inaugurated some time since as an experiment, in the hope that it will reduce the overcrowding now taking place in Wellington. The tickets are available on the outward journey by workmen's trains only, and are issued to persons residing in the suburbs. In the event of the experiment proving a success, I propose at the end of the present financial year to make similar arrangements in connection with Auckland, Christchurch, and Dunedin.

The following rate-concessions for year 1899–1900 have been decided upon—viz., 20 per cent. reduction on agricultural produce, 40 per cent. on butter and cheese, and 5 per cent. on artificial manures. These concessions involve a sacrifice of revenue amounting to at least £40,000 for the year. It is also intended to introduce a new and reduced scale of rates for small lots of goods of 28 lb. weight and upwards, with a view to encouraging by means of low freights the forwarding of small lots of goods. The concessions in freights and fares from 1st January, 1895, to 31st March, 1899, are valued approximately at £200,000. The additional train-miles run during the year under review were 302,225, at a cost of £70,796.

In the course of the next few years, should the equipment and revenue permit, I would advise the abolition of return tickets, and reduction of single fares to 1½d. per mile first-class and 1d. per mile second-class. This would, I feel sure, be a step in the right direction, and one in which all would participate.

In view of the large reductions made in the grain and other produce rates on 1st April, 1899, I estimate the revenue for the year ending 31st March, 1900, at £1,475,000. The estimates of expenditure amount to £967,320.

For the current year Parliament will be asked to vote the sum of £225,000, to be expended in providing additional rolling-stock and station accommodation for the open lines.

The usual reports and returns are attached to this Statement.

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