

We continue to experience considerable difficulty owing to shortage of rolling-stock.

The prospects for the ensuing year are very bright, and I anticipate a further large increase of traffic.

I have, &c.,

THOS. ARTHUR,  
District Traffic Manager.

The General Manager, New Zealand Railways, Wellington.

SIR,—

District Traffic Manager's Office, Invercargill, 28th April, 1899.

I have the honour to report on the working of the Southland district New Zealand railways for the financial year ending the 31st March, 1899.

The traffic has far exceeded that of any previous year's, showing an increase in the forwarded traffic of £19,981 over last year's, which was, up to that date, the record for the district.

All classes of traffic have been very heavy, and the only business showing any falling-off is in wool. This is to be accounted for by the enormous number of sheep which have been sent away to the north during the last eighteen months.

From various causes the demand for timber has been phenomenal, and I do not anticipate that any increase in this industry can be looked for during the current year.

The rabbit traffic still continues to increase, and has absorbed all surplus labour. Seeing the importance of this industry, we have lately been experimenting on the best means of carrying loose rabbits to the depots, and one of our men has invented a plan which allows of a very large number being carried in a truck, whilst every rabbit hangs separately, preventing bruising and securing ventilation. The arrangement permits trucks to be used for any class of traffic.

Owing to the very low prices obtainable for all kinds of grain, I do not anticipate that there will be such a large area under crop for the coming season. Although our tonnage will be larger, the large reductions lately made in freights will prevent any great increase in revenue. I anticipate the reduction in grain freights alone will cause this district a loss of £5,000 on the season's crop.

The passenger traffic has been most satisfactory, and there is every indication of still further expansion in the future.

Traffic carried by the railways shows an increase over last year of 34,000 tons and gives a good idea of the continued prosperity of the Southland district.

The alterations in the train services continue to give general satisfaction.

With the exception of one or two slight mishaps, there have been no accidents to our trains, and everything has worked satisfactorily.

Whilst the late additions to our rolling-stock have been of great assistance, we are still much hampered, and a further large addition will have to be made before traffic can be worked satisfactorily.

I have, &c.,

S. F. WHITCOMBE,

District Traffic Manager.

The General Manager, New Zealand Railways, Wellington.