

period, each line opening large and important districts; and although all these lines will not be completed in time to get returns from them within the present year, yet the additional mileage that will be opened at an early date will materially add to the traffic receipts.

The returns from some of the shorter lines are not so good as could be desired, but it cannot be expected these lines will be reproductive until they are continued, so as to tap the districts they were designed to develop. Of the Northern lines, the Napier Railway is giving the most satisfactory returns, but this line is sufficiently extended to secure the traffic of a rich settled district.

With the view of giving honorable members an opportunity of comparing the rates at present charged for the carriage of goods on the New Zealand Railways with the rates formerly in operation in Canterbury and Otago, and also as compared with the rates charged on the Victorian Railways, I have had a table prepared, and it will be appended to this report. There will also be attached to the statement a table of the passenger fares charged on some English lines, on the lines of the several Australian Colonies, on the Otago and Canterbury lines under provincial management, on the New Zealand lines prior to 1st July, and of the rates at present in force. An examination of this table will show that on the whole the charges on the New Zealand Railways are reasonable.

SUMMARY OF EXPENDITURE.

The expenditure in each island on the three principal classes of works up to 30th June last was as follows :—

<i>North Island.</i>									
		£	s.	d.	£	s.	d.	£	s. d.*
Railways to 30th June, 1876	...	1,781,017	13	8					
„ during year 1876-77	...	418,447	15	5					
					2,199,465	9	1		
Roads to 30th June, 1876	...	459,612	3	11					
„ during year 1876-77	...	11,547	17	7					
					471,160	1	6		
Water-races to 30th June, 1876	...	58,612	18	3					
„ during year 1876-77	...	7,709	1	0					
					66,321	19	3		
Total, North Island	...	...	...	...				2,736,947	9 10
<i>South Island.</i>									
Railways to 30th June, 1876	...	3,381,477	4	7					
„ during year 1876-77	...	548,977	17	9					
					3,930,455	2	4		
Roads to 30th June, 1876	...	193,955	10	10					
„ during year 1876-77	...	4,455	12	3					
					198,411	3	1		
Water-races to 30th June, 1876	...	220,871	0	0					
„ during year 1876-77	...	67,870	9	7					
					288,741	9	7		
Total, South Island	...	...	...	...				4,417,607	15 0
Total	...	...	...	...				£7,154,555	4 10