

The coal-rates on the Greymouth and Westport lines have been reduced, with a view to assisting the local products to meet the severe competition of foreign coals.

The most progressive traffic in the colony during the year has been that on the Napier to Taranaki Section, and, after this group, that on the Wellington Section. It may not be out of place to remark that on the whole the traffic for many years past has been more progressive on the Wellington Section than in any other part of the colony, while the progress of construction in carrying the line towards Woodville has been slower than that of any other main line, and it is in marked contrast to that of many lines which have been pushed on in country where the absence of settlement and other drawbacks have led to no material resulting traffic or revenue.

Complaints have been made regarding the inconvenient hours of the train-services between Wellington, New Plymouth, and Napier. They can be avoided by the Manawatu Company either running a passenger-service instead of a mixed one, or by the Commissioners being allowed by the company to run their trains through its line. Either of these courses would involve some disadvantage to the company, either by increasing its expenses or by diminishing its revenue. The Commissioners consequently have been unable to obtain from the company consideration of the subject. The Commissioners think that, while it is within the power of the colony to take over the railway, according to the provisions of the District Railways Act, it is unreasonable for the public to expect the company to sacrifice its interests to provide additional accommodation. If the colony should see fit to take over the railway, it will be found quite feasible to very much improve the through-services.

On the Otago Central Railway, which has been opened to Middlesmarch (forty-nine miles from Dunedin) during the year, a service of five trains each way a week is run. The traffic is at present very light, and is mainly diverted from the Dunback and Lawrence branches—a contingency pointed out in our memorandum of 20th June, 1889, which was circulated in Parliament. During the present financial year some improvement in revenue from fresh local traffic seems probable.

The traffic for the year on the railways north of Dunedin has declined through the deficient harvest of 1891 and diminished freezing operations. On the lines south of Dunedin, on the whole, the traffic has much improved.

STAFF

The question of establishing a railway employé's insurance fund has been again under discussion during the last year between the Railway Commissioners and their employé's and the Government. The Commissioners' proposals have been circulated among and discussed by the employé's, several amendments have been made at the request of the employé's. A draft Bill has been prepared covering these amendments, a copy of which is contained in the appendix to this report.

This Bill is the subject of a petition from 1,597 employé's, praying the Government to introduce it into Parliament. The petition has been duly forwarded to the Government.

The lines on which the Bill is drawn are of the simplest nature. It is proposed to establish a fund by contributions from the employé's, to be retained by the Government at a fixed rate of interest. This will prevent the need for a costly system of management under a Board, and will avoid the risks and expenses attending investments. From this fund will be paid pensions to the disabled and aged, sick-allowance during illness, and a lump sum at death.

There is a pressing need for such a provision, and it is most desirable that provision should be made for the present staff of employé's. Many cases of distress annually occur which cannot now be relieved, and, as there are nearly sixteen hundred employé's in the railway service who are desirous of making provision for themselves, we hope the Government will endeavour to give them the opportunity they desire, and bring forward this Bill at the next session of Parliament.

The Commissioners have every reason to be well satisfied with the conduct and efficiency of the working railways staff during the past year.