

APPENDIX H.

SIR,—

District Traffic Manager's Office, Auckland, 24th April, 1899.

I have the honour to report that the revenue from the traffic on this section for the financial year ending the 31st March, 1899, increased by £10,657 16s. 3d. as compared with the previous year, an improvement of about 7 per cent.

The school-excursion bookings have increased from a total of 2,097, with a revenue of £228 6s., to a total of 6,216, with a revenue of £544 9s. 2d. You will notice here that the number carried has almost trebled, while the revenue has little more than doubled. This is owing to the fact that a big proportion of the increase is caused by the large number of school excursions run from Thames and intermediate stations to Te Aroha since the extension was opened. When it is remembered that in many of these instances extra staff, carriages, and engines have to be run all the way from Auckland to Thames and back to cope with these excursions, it is evident that traffic of this nature is not of a very payable character. There is no doubt, however, of the educative effects of the trips on the children concerned. Ordinary holiday-excursion bookings increased by 19,020 passengers and £2,724 in revenue.

The total passenger bookings, including the school and ordinary excursions, show an increase in number of 61,477, or equal to about 10 per cent. This is attributable to the opening of the Thames extension, to the fact that the Auckland Industrial and Mining Exhibition was held last year, and doubtless some of the improvement is also owing to a proportion of the Easter holiday bookings for 1899 having been included. Season tickets give an increase of 1,103. Parcels have increased by 6,836, approximately 10 per cent. Horses, carriages, and dogs all show slight increases. The following table shows the increases and decreases in the goods traffic:—

	Increase.		Decrease.	
	Number.	Tons.	Number.	Tons.
Cattle	1,408	...	...	...
Sheep	500	...	...	...
Pigs	...	...	577	...
Chaff	...	3,132	...	...
Wool	...	...	...	129
Firewood	...	...	...	284
Timber	...	...	...	1,847
Grain	...	1,628	...	...
Merchandise	...	2,479	...	...
Coal	...	6,059	...	...
Other minerals	...	3,889	...	...

The small increase in the number of sheep and the decrease in the quantity of wool and timber carried is partly due to competitive sea traffic, which competition is, as you are aware, hardly avoidable on a section so situated geographically as the Auckland one is. The increase in grain is satisfactory, and represents an improvement of about 12 per cent. on the previous year's traffic. The increase in coal is principally in traffic from the Waikato mines, and is an indication that the local coal is gradually becoming more used all over the district. The four Waikato coal companies have now amalgamated. The brick traffic from Craig's Siding to Auckland has also increased during the year, due to the large amount of building still going on in Auckland City. The sulphur traffic from Rotorua to Auckland has been heavier this year than previously.

The line from Paeroa to Thames was opened for traffic on the 19th December, 1898. The local passenger traffic on the extension has been of a satisfactory nature, but so far the volume of goods and other traffic has been of a disappointing character. The Thames people have greatly appreciated the opening of the line, and the passenger bookings at Christmas and other holiday occasions have been heavy, especially to Te Aroha and back. I have also noticed that one result of the opening has been that passengers from Auckland to Rotorua are now more inclined to return *via* Thames, taking steamer from latter place to Auckland. This enables them to visit the Te Aroha Springs on the road home. I have been watching this phase of the question, and will shortly endeavour to inaugurate a series of combined rail and steamer round-trip tickets to meet the wishes of those of our customers who prefer to travel this route. As regards the disappointing nature of the goods traffic, this was only to be expected when one considers the excellent steamer service plying between Auckland and Thames. Any district so well served by sea routes as the Thames one is can hardly furnish satisfactory goods traffic to a railway, especially when one considers the short time (about four hours) occupied in the sea trip between Thames and Auckland. It is very difficult for land carriage to compete with competition of this nature, and the difficulty is, if anything, accentuated by the long and circuitous nature of the railway route from Auckland to the Thames. However, with the growth of the settlement in the Thames Valley it is possible that a business connection between that and the Waikato district will in course of time be built up, and thus enable the department to obtain a certain local goods traffic to compensate for the absence of the long-distance trade.

In order to facilitate the tourist traffic to Rotorua and Te Aroha Hot Springs, it has now been decided to continue the express service between Auckland and those points all the year round, instead of running it in the summer months only. This change has been greatly appreciated by the travelling public, and will be a boon to invalid tourists.