Other increases are in chaff, grain, and general goods.

The train service in this district has been entirely revised, and additional mixed trains provided.

Increased mileage per annum, mixed, 23,920; decreased mileage per annum, goods, 9,048: net total increase, 14,872.

Nelson Section.

There is a decrease in the passenger business on this section of 9,808 passengers, and revenue (including season tickets) decreased £271 7s. 1d.

In goods traffic there is a small increase, principally in chaff, timber and grain.

Total revenue has increased by £1,290 6s. 10d.

Wellington-Napier-New Plymouth Section

The passenger business on this section has increased to a large extent, the increase over last year being 149,354 passengers and 5,877 season tickets, and in revenue of £6,012 14s. 8d.

In goods traffic there are large increases in all classes, with the exception of firewood, in which

there is a slight falling-off.

The increase on the total goods traffic was close upon 12 per cent.

In the Wellington-Napier District the principal increases are in grain, merchandise, coal and

other minerals, there being also a large increase in sheep.

In the Wanganui District there is a large increase in passenger traffic, and in goods traffic there are considerable increases, the principal of which are in chaff, wool, timber, grain, general merchandise, and coal.

The sheep traffic has also increased to a large extent over the previous year.

The large increase in the Sunday traffic has rendered it necessary to put on an additional train between Te Aro and Lower Hutt, and for the greater convenience of settlers the trains previously running between Palmerston and Foxton on Thursdays and Saturdays are now being run on Tuesdays also.

Increased mileage per annum, 2,918 miles.

Auckland Section.

Passenger traffic in this district has increased during the year to a very large extent, there being an increase in ordinary passengers of 87,487 and in season tickets of 6,018, the revenue having increased to the extent of £4,399 1s. 9d. over the previous year's traffic.

In the goods traffic there is also a large increase, the total tonnage for the year being 301,376 tons, as against 261,311 tons for the previous year, an increase of 40,065 tons, or over

15 per cent.

There are increases in all classes of traffic, the principal being in chaff, timber, grain, general merchandise, and minerals.

There was also an increase in sheep amounting to 57 per cent.

The traffic in dairy-products still continues to increase, 400,309 gallons of cream having been forwarded, as against 360,502 for the previous year.

The quantity of butter carried on the section was 4,350 tons, as against 3,550 for the previous

There is, however, a slight decrease in cheese, the quantity being less than last year by 104 tons.

The whole time-table has been rearranged, the most important improvements being the extension of the suburban trains to Henderson and the inauguration of a daily express train between Auckland and Rotorua.

The improvements made give a faster and more regular service than formerly, and are greatly

appreciated by the travelling public.

During the current year it is proposed to place a refreshment-car on the Auckland-Rotorua express.

Extra train mileage per annum: Passenger, 134,472; goods, 2,756.

Gisborne Section.

The Gisborne Section, 12 miles 65 chains, was opened on the 26th June, 1902.

The total goods tonnage carried up to the 31st March, 1903, was 1,111 tons; number of passengers, 39,183; total revenue, £1,787 19s. 2d.

Kaihu Section.

The traffic, both passenger and goods, has fallen off very considerably, there being a decrease, compared with the previous year, of 3,008 passengers and 16,607 tons of goods; the principal drop is in timber, on which there is a decrease of 16,294 tons.

Whangarei Section.

The passenger business shows considerable development, 12,011 passengers having travelled in excess of the previous year, an increase of close upon 24 per cent.

In goods traffic there is also a great improvement, the tonnage for the year being 95,485, as compared with 83,708 tons for the previous year, an increase of 11,777 tons, or over 14 per cent.

There are increases in all classes of goods traffic, with the exception of grain, the heavier

increases being in timber and coal.