The above figures exhibit an increase of \$20,925.47 over the previous year.

The improvement in the passenger and freight business is very satisfactory, and indicates prosperity.

The decline in the horse and waggon traffic was not altogether unexpected. For several years, parties in charge of teams were allowed to travel free—this, latterly, became a subject of considerable discussion, and created a good deal of dissatisfaction between those parties who forwarded their goods in the cars, and those who brought their waggons on the trains, as the rates for the description of goods were invariably the same. The practice now established for all parties paying their fare appears equitable.

The number of passengers carried over the lines during the past year was 187,762, or an increase over last year of 21,506.

The weight of goods moved, including loaded teams, is 100,330 tons—or an increase over last year of 8,560 tons; in addition to this 41,654 tons of coal were run from Acadia Mines, viz:

To Pictou Landing for shipment	35,630	tons.
Run east for home consumption	1.294	"
Run west for home consumption	4,730	"
- Minerals		
Goods	100,330	66
Making a total of	141,984	"

It is satisfactory to notice the steady growth of the business on both lines.

The passenger and goods traffic between Halifax and the Provinces of Quebec and Ontario, (via Pictou), has largely increased—every care should be taken to encourage and foster the business by this route.

The coal traffic forms a large item, notwithstanding the high duty of admission into the United States; if this tariff was removed, or even abated, doubtless the trade would double. In view of meeting more promptly and satisfactorily the requirements of this traffic, arrangements have been made to lay down a siding half way between New Glasgow and Pictou Landing, which will largely obviate delays. The arrangements made for putting in sidings at several points will be completed on an early day.

On the first of June the speed of the trains was further reduced; "passenger" or "mail" trains were regulated at about nineteen miles per hour—and that of "mixed" or "freight" trains to thirteen miles per hour; these rates of speed I consider sufficiently slow for trains that carry passengers. Express trains have been run between Halifax and Windsor, connecting with the steamer to and from St. John—thereby obviating detention to passengers at Windsor.

The trains, with one exception, have been run with regularity; this delay occurred on 8th March during a very heavy snow storm, which continued for two days; the train from Pictou to Halifax was detained one day, and the train from Halifax to Pictou seven hours.

In view of meeting the rapidly increasing business at Pictou Landing additional accommodation is indispensable.

I regret to have to report an accident which occurred to a mixed train at Enfield Station, on the 23rd October, by which Mrs. E. Jones had her ankle badly injured. The particulars are contained in my report, dated 26th October, herewith appended.

With this exception, (which was most unfortunate and to be lamented), no other accident has taken place during the past year.

I have the honor to be, Sir,

Your obedient servant,

George Taylon, Traffic Superintendent.

LEWIS CARVELL, Eso., General Superintendent N. S. and N. B. Railways.