Appended to this communication will be found:-

Synopsis of Stores, on hand at the respective Stations and Depots.

Descriptive statement of the principal Freight forwarded, from each Station, for the past two years.

Statement of Locomotives and other Rolling Stock on hand, with Mileage, as kept to date.

Statement embracing the Staff, as constituted at the close of the year.

The description of Freight referred to, is given as compiled from the returns made to this office by the several Station Agents. It is furnished under some disadvantages, but may, I think, be esteemed to be very generally correct, and will give an idea of the character of the Trade along the Line of Railway.

There have been no additions made to the Rolling Stock the past year.

The Engines and Cars have been well kept, and are, with few exceptions, in good order.

The Locomotives "Loostauk," No. 8, "Ossekeag," No. 9, and "Apohaqui," No. 10, have been fitted with Water Injectors and Blowers, and two others, the "Prince of Wales," No. 12, and "Prince Alfred," No. 14, have been furnished with Blowers alone.

The Locomotive Foreman says, "they are decided improvements," and recommends "that they be applied to the other Engines."

Seven of the Engines have been supplied with additional heavy check chains.

The "Prince of Wales" has been covered with hair felting, in addition to the wooden lagging, with the view to test the saving in fuel which it was thought would be effected thereby. Sufficient time has not as yet elapsed to speak certainly with regard to it.

Improvements have been made in the trucks of the "Petitcodiac" and "Ossekeag," which will facilitate the examination of the bearings, and the steam chests of the latter engine have been replaced by improved new ones.