

The goods tonnage was 5,826,265, a decrease of 135,999 tons when compared with the previous year. The decreases were as follows:—

Sheep	...	...	...	...	98,652 head.
Figs	...	...	...	...	19,073 „
Timber	...	...	...	...	46,438 tons.
Minerals	...	...	...	...	44,436 „
Other goods	...	...	...	...	45,125 „

Cattle show an increase of 31,240 head. The increase is due to the demand for beef for military purposes. The decrease in the number of sheep carried in the North Island was 346,361. The erection of new freezing-works in sheep-producing localities no doubt has had the effect of diverting a proportion of the business to roads in cases where the distance from farm to works is short, but the paucity of oversea ships available for transport of meat, and the consequent congestion of all the freezing-works, has been the greatest factor in the matter of decreased sheep traffic. In the South Island there was an increase of 247,709, where in addition to the fat-sheep traffic there were large movements of store sheep from the southern districts to Canterbury.

The goods tonnage shows a decrease of 135,999 tons, chiefly in coal and timber. Chaff traffic last year was very heavy owing to abnormal oversea demand resulting in heavy export. Whangarei shows an increase of 2,800 tons of timber, Kaihu 8,000 tons; while Gisborne (3,000 tons), North Island main line (31,000), South Island lines (22,000), Nelson (1,100), Picton, (400), Wakatipu steamers (100) represent the decreases, amounting to 57,600 tons.

Minerals: Gisborne (4,000 tons), North Island main line (7,000), and Westport (9,000) represent increases. Whangarei (14,000 tons), South Island main line (41,000), Westland (8,000), Picton (1,000), Nelson (1,000) represent decreases in coal. Net decrease, 44,000 tons.

Other goods: Whangarei (2,500 tons), Gisborne (3,200), North Island main lines (27,000), and Picton (8,000), (total 40,700), represent increases, while Kaihu (1,200 tons), South Island main lines (81,000), and Westland (2,800), (total 85,000) represent decreases, leaving net decrease of 45,000 tons.

The average number of men employed during the year was 13,708, against 14,968 for the year ended 31st March, 1916.

Twenty-five members of the Second Division were promoted to the First Division; 758 members of the permanent staff resigned, 92 retired on superannuation, 158 died, 106 were dismissed, and 1,075 engaged.

The sum of £15,710 was paid under the Workers' Compensation for Accidents Act during the year to members who sustained injuries in the execution of their duty.

The additions made to the rolling-stock during the year consisted of 26 new locomotives, 29 bogie cars and 1 rail motor-car, 2 bogie brake-vans, and 433 wagons. Of the new engines added to the stock, 17 were built in the Railway workshops—viz., 7 simple superheated tender engines, Class AB, and 10 heavy tank engines, Class Ww. Nine simple superheated heavy tender engines, Class Bb, were completed under contract with Messrs. A. and G. Price (Limited), of Thames.

Four obsolete tank engines, 2 cars, 2 brake-vans, and 47 wagons were sold or broken up. 517 tarpaulins were condemned and written off. Three heavy tank engines, 1 car, 2 bogie brake-vans, 43 wagons, and 517 tarpaulins have already been constructed as replacements; the balance is under construction. The cost of the whole of the replacements is debited to working-expenses.

During the year 176 modern steel axles were placed under cars, brake-vans, and wagons in substitution of the old iron type, increasing the carrying-capacity of each wagon by 2 tons.

The additional 26 locomotives taken in conjunction with boiler renewals of locomotives in service have increased the tractive power by 5·70 per cent. The new carriages increase the seating-capacity by 1,486 passengers, or 2 per cent. The new wagons added to the stock give an additional capacity of 4,714 tons, equivalent to an addition of 786 ordinary 6-ton trucks, or 2·56 per cent. in carrying-capacity.

Diagrams showing the increase each year in the tractive-power of engines, seating-capacity of cars, and carrying-capacity of the wagons will be found at the end of the report.

The rolling-stock actually on order and in hand on the 31st March comprised 27 locomotives—viz., 9 simple superheated tender engines, Ab; 1 heavy suburban tank engine, Ws; 10 heavy tank engines, Ww; 7 simple superheated tender engines, Bb; 46 carriages, 16 bogie brake-vans, 205 bogie and 978 four-wheeled wagons.

The installation of Westinghouse brake on rolling-stock on Westland Section is now in hand.

The permanent-way buildings and structures and appliances have been efficiently maintained. The mileage of track relaid during the year was 21½ miles of main line with 70 lb. material, 7½ miles of branch line with new 55 lb. metals in substitution of 40 lb. metals, and 1 mile of branch line with second-hand metals removed from the main line; a total of 30 miles. This is considerably below the ideal standard fixed at 100 miles per annum, but in view of the abnormal conditions resulting from the war it is essential that the existing stocks be conserved to meet ordinary requirements. 92,419 new sleepers and 239,002 cubic yards of ballast were placed in the track during the year, and over 9,000 tons of rock have been used in strengthening the river protective works on the Midland Railway.

Considerable difficulty has been experienced in obtaining structural steel for bridges, but notwithstanding this a number have been strengthened for the running of heavier locomotives.

A large number of works having for their object the provision of greater facilities to meet the growing requirements and increase efficiency in working have been completed during the year. These include additions to water-services, wharves, buildings, workshops, station-yards, and increasing the accommodation generally.