Car-lighting.—The oil-gas manufactured at the five separate Pintsch-gas works during the year amounted to 11,466,500 cubic feet, and cost to manufacture 2s. 7·10d. per 100 cubic feet, the increase in cost of production being due to increased charges for oil owing to war conditions.

On sections not provided with Pintsch gas all cars are lighted with acetylene gas.

Motor-cars.—The motor-cars in use on the Culverden–Hanmer service have been kept in good and efficient working-order.

Rail Motor-cars.—The Thomas transmission-rail motor-car was erected during the year and employed on suburban services. The Westinghouse petrol-electric rail motor-car has also been employed on suburban services.

Steamers.—The Railway Department's steamers on Lake Wakatipu service have been maintained in good working-order.

Renewals and Replacements.—During the year four second-hand tank engines, two cars, one brake-van, and eighteen wagons were sold, and one brake-van and twenty-nine worn-out wagons were written off; also 517 worn-out tarpaulins were condemned and written off. To replace the engines and rolling-stock sold or written off three heavy tank engines, one car, two bogie brake-vans, and forty-three wagons were built, and 517 tarpaulins were made. To replace the remaining wagons sold new stock is under construction.

Train Running and Mileage.—There has been a decrease in train-mileage amounting to 210,191 miles as compared with 1915–16. This has been due chiefly to the provision of new and more powerful locomotives.

There has been a decrease in the engine-mileage of 424,033 miles as compared with 1915–16. The decrease is partly due to the lesser number of work-trains supplied and the use of Class Ab locomotives, mentioned in my last report. More of these engines have been built, and there are now twelve of this type at work. These locomotives are cheaper in first cost than the Class A locomotives, haul greater loads, and are much more economical to work and maintain. A heavy-tank engine, with boiler, cylinders, wheels, &c., interchangeable with the Ab, is almost completed, and will be used for the heavy passenger trains on the grades between Taihape and Taumarunui and Wellington–Paekakariki.

The following table shows particulars of the expenditure per train-mile :—

Year.	Train-mileage.	Engine-mileage.	Cost, in Pence, per Train-mile.		
			Locomotive Branch.	Car and Wagon Branch.	Total.
1916–17	9,146,331	12,295,455	25·02	6·27	31·29
1915–16	9,356,522	12,719,488	24·55	5·80	30·35

The increased cost per train-mile in locomotive branch is due to enhanced prices for fuel; the car and wagon branch increase is principally due to extra charges for material.

STORES.

Mr. H. Baxter, Comptroller of Stores, reports as follows:—

The value of stores, material, and plant (purchased under the Railway vote) on hand at the 31st March, 1917, at the various stores, depots, and sawmills amounted to £392,597 13s. 8d., as against £428,065 15s. 5d. on the 31st March, 1916.

The value of stores on hand on account of additions to open lines amounted to £15,212 6s. 8d., as against £25,945 5s. 6d. on the 31st March, 1916.

The whole of the stock is in good order, has been carefully and systematically inspected, and is valued for the amounts stated.