Middle District.—Revenue, £507,073; decrease, £38,132. Passengers decreased 50,499, and season tickets 501. Parcels, luggage, &c., increased £1,385. Cattle increased 6,311, and sheep 9,555. Timber decreased 32,877 tons, and all other goods increased 3,218 tons.

Western District.—Revenue, £483,378; incr ase, £2,984. Passengers decreased 74,361, and season tickets 414. Parcels and luggage decreased £1,151. Cattle increased 24,465, and sheep 29,270. Timber

increased 9 tons, and all other goods increased 22,560 tons.

Southern District.—Revenue, £1,270,945; decrease, £28,165. Passengers decreased 298,236, but season tickets increased 22,451. Parcels and luggage increased £468. Cattle decreased 6,670, and sheep increased 90,877. Timber decreased 1,211 tons, and all other goods decreased 15,902 tons.

Picton Section.—Revenue. £37,850; decrease, £539. Passengers decreased 5,600, and season ets 22. Cattle increased 239, and sheep 2,871. Timber decreased 432 tons, and all other goods 1.041 tons.

Nelson Section.—Revenue, £21,438; decrease, £1,908. Passengers decreased 9,473, and season tickets 57. Timber decreased 677 tons, and all other goods 508 tons. Cattle increased 316, and sheep

Westport Section.—Revenue, £137,757; decrease, £3,831. Passengers decreased 3,891, and season

tickets 305. Parcels, luggage, &c., increased £82. All other goods decreased 17,166 tons.

South Island Main Line and Branches.—Revenue, £2,784,898; decrease, £14,417. The principal items of traffic were: Passengers, 3,970,706; decrease, 342,992. Season tickets, 166,255; increase 3,788. Parcels, luggage, and mails revenue £131,938; decrease, £636. Live-stock, 4,327,198; increase, 155,306. Timber, 236,559 tons; decrease, 37,900. All other goods, 2,788,109; increase, 83,145. The revenue per mile of railway decreased from £1,730 2s. 2d. to £1,721 2s., and decreased from 14s. per train-mile to 13s. 9d.

The variations of traffic in the individual districts were approximately as follows:—

Northern District.—Revenue, £1,211,339; decrease, £9,492. Passengers decreased 122,437, and season tickets increased 4,047. Parcels, luggage, &c., increased £355. Cattle increased 245, and sheep decreased 123,064. Timber decreased 32,867 tons, and all other goods increased 41,070 tons.

Middle District.—Revenue, £865,304; decrease, £3,876. Passengers decreased 135,529, and season tickets increased 356. Parcels, luggage, &c., decreased £532. Cattle decreased 2,325, and sheep increased 74,739. Timber decreased 997 tons. All other goods increased 51,149 tons.

Southern District.—Revenue, £708,255; decrease, £1,049. Passengers decreased 342,992, and season tickets increased 3,778. Parcels, luggage, &c., increased £636. Cattle decreased 1,197, and sheep increased 156,503. Timber decreased 37,900 tons, and all other goods increased 83,145 tons.

Lak: Wakatipu Steamers.—Revenue, £9,885; decreased, £386. Passengers decreased 3,577. Sheep increased 4,936. Timber increased 81 tons. All other goods decreased 587 tons.

Train-services.—The following table shows the average late arrivals of the express, mixed, and suburban trains for the year :-

AVERAGE LATE ARRIVALS OF TRAINS, YEAR ENDED 31ST MARCH, 1928.

		Period ended													
Year ended		April.	Мау.	June.	July.	August.	September	October.	November.	December.	January.	February.	March 3.	March 31.	A verage for Year in Minutes.
					Expres	s and	Mail T	'rains.							
March 31st, 1928 March 31st, 1927	••	$\left \begin{smallmatrix} 10\cdot15 \\ 8\cdot54 \end{smallmatrix} \right $	5.50 6.57	6·25 4·86	3.77 3.09	10·34 5·38	$\begin{vmatrix} 10.98 \\ 3.15 \end{vmatrix}$	$egin{array}{c c} 2 \cdot 40 & \\ 4 \cdot 65 & \end{array}$	$\begin{array}{c} 3 \cdot 06 \\ 6 \cdot 54 \end{array}$	3·11 4·83	9·10 9·76	$6.46 \\ 5.49$	5·65 5·58	4·05 8·79	$\begin{array}{ c c }\hline 6.22\\ 5.94\end{array}$
				L	ong-dis	stance .	Mixed:	Trains							
March 31st, 1928 March 31st, 1927		11.87 10.52	7·81 7·55	$\begin{array}{c c} 6 \cdot 26 \\ 6 \cdot 16 \end{array}$	4·35 4·07	5.96 4.28	4·23 3·71	3·27 3·63	$3.95 \\ 5.43$		6·37 7·02	$6.79 \\ 5.49$	$\begin{array}{c c} 6.26 \\ 7.23 \end{array}$	7.96 9.87	6.07
					Su	ıburban	Train	8.							
March 31st, 1928 March 31st, 1927	• •	1.47 0.89	0.77 0.63	$0.76 \\ \theta.50$	0.62 $\theta.5\theta$	0·71 0·47	0.55 0.36	0·46 0·37	0·55 0·75	0.58 0.40	0.76 0.85	0·78 0·73	$\begin{array}{c} 0.93 \\ \theta.79 \end{array}$	0.69 1.85	0.79

TRANSPORTATION BRANCH.

Train Services.—Numerous alterations and adjustments have been made to the train services during the year to meet the ever-changing trend of traffic.

A notable feature was the recent inauguration of night expresses between Christchurch-Dunedin and Invercargill. These night trains are being increasingly patronized by the general public and business community, and meet the long-standing demand of the South Island for facilities for night travel. In addition to providing increased passenger facilities by these expresses, it has been found possible to use them to expedite transit of urgent parcels and perishable traffic between the longdistance centres, and the business community is taking full advantage of the quicker transport provided for these classes of traffic.

The South Island night expresses also provide opportunities to improve the business relations between the two Islands by providing an interval in Christchurch between train-arrival and steamerdeparture, or vice versa, in which travellers going further afield may have a few hours at their disposal for business or pleasure.