13 D.—2.

Sheep decreased by 433,512 head (4.59 per cent.), the figures for the year being noteworthy by reason of the substantial decrease in the number forwarded by rail in the South Island—viz., 619,923—as opposed to an increase of 224,265 head in the North Island. An unfavourable lambing season, together with increasing competition from road-transport operators for this class of traffic, are the main factors responsible for the reduced returns from the South Island.

The number of pigs carried during the year shows a decrease of 135,801 head (20.57 per cent.) compared with the preceding year. Of the total traffic in this commodity 92.46 per cent. was

produced in the North Island.

Summarizing the position in respect of the total live-stock traffic carried the following disappointing result emerges:—

Total number carried, decrease 582,840 (5.17 per cent.).

Revenue decrease, £9,114 (1.34 per cent.).

Timber traffic continues on the up-grade, this commodity having made an improved showing on last year's figures of 17,296 tons with a revenue increase of £49,083. As in the previous year, the increase has been confined to the North Island only, and is directly due to the increased demand for timber brought about as a result of the continuance of the Government's large-scale housing scheme.

The quantities of native and imported timber carried were as follows:

		1940.	1939.	Variation.	
37 77 3 3		Tons.	${f Tons.}$	Tons.	Per Cent.
New Zealand	 	499,848	476,187	+23,661	$4 \cdot 97$
$\operatorname{Imported}$	 	19,092	25,457	-6,365	25.00

Traffic in coal shows little movement compared with the previous year, the comparative figures being as follow:—

		1940.	1939.	Variation.	
N.I.M.L. and Branc		$\begin{array}{c} \mathbf{Tons.} \\ 600,816 \end{array}$	$\begin{array}{c} \mathbf{Tons.} \\ 590,226 \end{array}$	$\begin{array}{c} ext{Tons.} \\ +10,590 \end{array}$	$rac{ ext{Per Cent.}}{1\cdot 79}$
S.I.M.L. and Branch	es	732,034	732,381	-347	0.05
${f Westport}$		416,223	435,437	-19,214	$4 \cdot 41$
Small Sections	• •	$\frac{6,463}{}$	$\frac{6,296}{}$	+ 167	$2 \cdot 65$
Total		1,755,536	1,764,340	- 8,804	0.50

Grain traffic shows an increase of 51,709 tons and £30,404 revenue, the greater portion of the increase being confined to the South Island. Fruit traffic shows a decrease of 4,864 tons and £7,288 in revenue, the reduced traffic in the North Island having adversely affected the receipts from this commodity. Revenue from the carriage of root crops shows little variation.

Frozen meat for export increased by 17,525 tons and £22,738 in revenue, a substantial improvement of 28,755 tons and £32,672 in revenue having been recorded in respect of frozen mutton and lamb. This, however, was offset by a reduced return from the carriage of chilled beef and frozen pork. Butter showed a decrease of 16,368 tons and cheese an increase of 1,618 tons. Revenue, however, increased by £5,120 and £7,048 respectively. Practically the whole of the decreased tonnage in butter was in the North Island.

Wool traffic declined by 4,246 tons, but made an improved showing in respect of revenue to the extent of £3,523. The average haul for all wool decreased from 59 miles in 1938 to 56 miles in 1939 and to 53 miles for the year under review. The decreased tonnage in the North and South Islands was

2.53 per cent. and 3.36 per cent. respectively.

The large decrease recorded in 1938-39 in respect of the conveyance of artificial manures has this year been more than offset by a very substantial increase in both tonnage and revenue. No less than 1,036,730 tons of artificial manures were conveyed by rail during the present year, this figure being a record. The increase over the previous year was 162,051 tons and £86,536 revenue. The tonnage of agricultural lime forwarded in 1939-40 was 393,117 tons, an increase of 13,613 tons.

The quantity of benzine conveyed in tank-wagons shows a decrease of 1,027 tons. Benzine in drums, &c., and gasolene, kerosene, and lubricating oils show increases of 7,648 tons and £16,179 in revenue, traffic in benzine and gasolene, when packed in cases, drums, &c., having improved since the

imposition of restrictions on the sale of petrol.

Traffic in general lines of merchandise continues to be satisfactory, the returns showing an improvement of 24,255 tons and £117,975 revenue in the North Island, while a decreased tonnage of 26,558 and a reduced revenue return to the extent of £4,234 was registered in the South Island.

GOODS AND LIVE-STOCK STATISTICS.

The principal statistical figures dealing with the operation of goods traffic are shown below:-

			1940.	1939.
		 	7,464,466	7,521,589
		 	£6,109,293	£5,694,936
		 	7,673,950	7,539,012
Average haul (miles)		 	$75 \cdot 68$	$76 \cdot 21$
Average revenue per ton-mile .	•	 	$2 \cdot 57 d$.	$2 \cdot 43 d.$
Average revenue per ton .		 	15s. 11d.	15s. 1d.
Average revenue per goods-train	$_{ m mile}$	 	16s. 4d.	15s. 2d.