

The passenger traffic for the year increased very materially, the number actually carried being 13,123,879, an increase of 1,232,745 over the previous year. Season tickets issued number 265,259, an increase of 28,302. The number of workers' twelve-trip tickets issued was 53,697, and of workers' weekly tickets available over suburban lines 148,954, an increase of 4,621 twelve-trip and 19,430 workers' weekly tickets over the previous year.

Holiday excursion tickets issued numbered 964,695, an increase of 124,222 on the traffic of the previous year; school, factory, and friendly societies' excursions numbered 133,897, a decrease of 928 on last year's figures.

The coaching traffic shows substantial increases under each of the headings under which the traffic is grouped. The increases are: Parcels, 129,966; horses, 1,461; carriages, 103½; dogs, 1,232.

In the goods and live-stock traffic the increases are: Drays, 285; cattle and calves, 14,049 head; chaff, lime, &c., 21,528 tons; wool, 6,128 tons; firewood, 1,636 tons; grain, 232,343 tons; merchandise, 34,768 tons; minerals, 84,200 tons.

There were decreases in—sheep, 65,638 head; pigs, 11,138 head; and timber, 23,353 tons. The principal factor in connection with the decrease in sheep traffic was the labour trouble with the slaughtermen. This restricted the operations of the various freezing companies to a very considerable extent, as shown by the falling-off of 272,000 head of sheep in the Wellington, Picton, and Invercargill districts. In other districts the sheep business shows an advance on that of the previous year. The decrease in the number of pigs was caused through a drop in the number raised by dairy-farmers, there being more inducement for farmers to rear calves than pigs. The heavy drop in the timber traffic is chiefly in the Westland and Christchurch districts, and is ascribed to the financial stringency on the West Coast causing a material decrease in the export of timber to Canterbury ports.

The average number of men employed on the railways during the year was 14,213, against 13,523 for the previous year.

During the year 13 members of the Second Division were promoted to the First Division; 462 members of the permanent staff resigned, 98 retired on superannuation, 42 died, 97 were dismissed, and 1,209 were engaged.

The sum of £12,616 was paid during the year under the Workers' Compensation for Accidents Act.

The rolling-stock was augmented by the addition of twenty new engines. Of this number thirteen, comprising five large tender engines, Class BA, and eight heavy tank engines, Class Wg, were built in the Government railway workshops. Seven Class AD 72-ton four-cylinder balanced compound tender engines were completed under the contract with Messrs. A. and G. Price (Limited), of Thames.

There were 77 new bogie cars, 5 bogie brake-vans, 1,032 wagons, and 1,267 tarpaulins turned out of the railway workshops during the year.

2,182 modern steel axles were placed under cars, brake-vans, and wagons in substitution of the old iron axles. The effect of this alteration is to increase the carrying-capacity of each wagon by 2 tons, while giving greater stability to the wagon.

The quantity of Pintsch gas manufactured at the railway gasworks was 9,994,930 cubic feet. On the sections not provided with Pintsch gas the cars are lighted with acetylene gas, and practically all the cars on the small sections are now equipped with this system of lighting.

During the year 104¼ miles of track were relaid: 83½ miles of main line with 70 lb. rails, 20 miles of branch line with 53 lb. rails removed from main lines, and three-quarters of a mile of branch line with new 55 lb. steel material. Ballast to the extent of 290,000 cubic yards and 235,378 sleepers were put into the track during the year. Difficulties experienced by shipowners in respect to labour prevented the Department from getting delivery of sleepers contracted for, and this materially retarded relaying operations.