South Island Main Line and Branches.

Revenue, £1,682,638; increase, £63,898.

The principal items of traffic were-

			Number.	Number.
Passengers		 	 4,727,908; decr	ease, 95,599
Season tickets		 	 120,142; incre	ease, 5,739
Parcels revenu	e	 	 £89,024; ,,	$\pounds 224$
Live-stock		 	 3,814,797;	, 212,944
			$\mathbf{Tons.}$	${f Tons.}$
Goods		 	 2,192,189; decre	ease, 144,055

The annual revenue per mile of railway increased from £1,152 19s. to £1,198 9s. 2d., and per train-mile from 9s. 9½d. to 10s. 4¾d.

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

Christchurch.—Revenue, £720,359; increase, £12,110.
Ordinary passengers decreased 72,778, but season tickets increased 2,408.
Parcels and luggage revenue increased £200.

Cattle decreased 1,864, sheep 87,994, and pigs 10,618.

Timber decreased 10,883 tons, general goods 53,365 tons, and minerals 29,166 tons.

Dunedin.—Revenue, £571,237; increase, £20,843.
Ordinary passengers decreased 15,561; season tickets increased 3,379.

Parcels revenue decreased £286.

Cattle decreased 7,249 and pigs 1,763, but sheep increased 110,729.

Timber decreased 2,390 tons, general goods 20,396 tons, and minerals 27,416 tons.

Invercargill.—Revenue, £391,042; increase, £30,945.

Ordinary passengers decreased 7,260; season tickets increased 241.

Parcels revenue increased £310.

Cattle increased 5,060, and sheep 204,840.

Timber decreased 8,598 tons, and general goods 7,774 tons.

Minerals increased 19,958 tons.

Lake Wakatipu Steamers.

Revenue, £7,184; decrease, £59.

Ordinary passengers decreased 1,701 and £108 in revenue.

Parcels and luggage revenue increased £35.

Sheep increased 7,600.

Timber decreased 120 tons, minerals 224 tons, and general goods 370 tons.

The train services have been maintained with punctuality, as will be seen from the following table:-

Average Late Arrival of Trains, Year ended 31st March, 1917.

		:	Period ended													for ses.
•.	 Year ended		April 29.	May 97.	June 24.	July	Aug. 19.	Sept. 16.	Oct. 14.	Nov. 11.	Dec. 9.	Jan. 6.	Feb. 3.	Mar. 3.	Mar. 31.	Average for Year, in Minutes.
						Expre	ss and	Mail	Trains							
	31, 1917 31, 1916	::	$\begin{array}{c} 3.16 \\ 3.72 \end{array}$		3·15 1·84	1·31 1·58	1·54 1·74	1.77 0.67	1·64 0·70	1·36 1·46	1·34 1·74	4·15 3·61	3·05 2·35	3·35 3·22	$\begin{array}{c} 2.62 \\ 3.17 \end{array}$	2·38 2·13
					I	ong-di	stance	Mixed	Train	8.						
	31, 1917 31, 1916	• •	4·45 4·13		3·94 2·29	2·16 2·29	1·71 1·78	1·82 1·38	1·77 1·40	2·24 1·65	2·90 2·58	3·63 3·14	3·84 3·10	3·83 4·13	4·04 5·18	3·10 2·73
						Su	burban	Train	8.							
	31, 1917 31, 1916		0·67 0·44		0.65 0.48	0·50 0·34	0·36 0·22	0·32 0·28	0·23 0·33	0·27 0·51	0·20 0·22	0·76 0·61	0·35 0·42	0·40 0·37	0·53 0·44	0·36 0·38

LOCOMOTIVE.

Mr. H. H. Jackson, Chief Mechanical Engineer, reports as follows:-

Locomotives.-On the 1st April, 1916, there were 585 engines in service, and on the 31st March, 1917, there were 607 engines. Four second-hand tank engines were sold and written off. Twenty-six new engines were added to stock. Of the new engines added to stock seventeen were built in the Government railway workshops, and comprised seven Pacific type simple superheated tender engines, Class AB, and ten 4-6-4 (Baltic type) heavy tank engines, Class Ww; nine 4-8-0 simple superheated heavy tender engines, Class BB, were completed under contract with Messrs. A. and G. Price (Limited), of Thames.

In the Government railway workshops to date 172 engines have been built, and twenty-four

old locomotives have been rebuilt to modern designs.