

The following figures, which give the record of the late arrivals of the principal trains during the year, indicate that, despite the difficulties experienced in connection with slips and other unforeseen circumstances, the trains have, as a whole, run well up to time:—

	Average Late Arrival	
	Min.	Min.
Long-distance passenger-trains	3.14	against 2.38 last year.
Suburban trains	0.62	„ 0.36 „
Long-distance mixed trains	4.34	„ 3.10 „

The number of ordinary passengers carried during the year was 11,408,156, a decrease of 2,764,959. Season tickets issued numbered 322,487, a decrease of 33,345. Workers' twelve-trip tickets numbered 58,130, a decrease of 33,779. Workers' weekly suburban tickets numbered 205,139, an increase of 4,836.

The decrease in the passenger traffic is attributable to cancellation of all excursion fares, reduction of train services, and the curtailment of travelling facilities for pleasure and non-essential purposes, as war measures to release staff for service abroad, and to conserve coal and material.

The goods and live-stock tonnage was 5,742,968, a decrease of 496,105 when compared with the previous year. The decreases are as follows:—

Cattle	40,635 head.
Sheep	749,813 „
Pigs	17,641 „
Timber	55,644 tons.
Minerals	214,947 „
Other goods	182,538 „

The decrease in cattle was chiefly in the North Island. Sheep, however, increased by 135,800 head in the North and decreased by 885,600 in the South Island. The season generally was unfavourable for fattening stock, but the falling-off in the business is attributable mainly to the freezing-works being glutted consequent on inability to obtain a sufficiency of ships to meet the requirements of export-meat trade. Although the freezing companies increased their storage, the shortage of shipping resulted in congestion of the stores, retarding the operations, and reduced the capacity of the works.

The timber trade has been hampered by the shortage of labour and shipping, which has interfered with the export trade.

The mineral traffic was affected by labour trouble at the coal-mines in the early part of the year, by the difficulty in securing a sufficiency of shipping for the importation of coal from Australia in the usual quantity, and by the restriction of roadwork causing a reduction in the quantity of road-metal carried.

The decrease in other goods may be attributed to the shortage of shipping. The imports and exports at all the principal ports show a falling-off when compared with last year.

The average number of men employed during the year was 13,002, against 13,708 for the previous year.

Thirteen members of the Second Division were promoted to the First Division; 896 members of the permanent staff resigned, 67 retired on superannuation, 196 died, 109 were dismissed, and 523 engaged.

The sum of £15,877 was paid under the Workers' Compensation for Accidents Act during the year to members who sustained injuries in the execution of their duty.

The additions made to the rolling-stock during the year consisted of 21 new locomotives, 9 bogie cars, 4 bogie brake-vans, and 149 wagons. Of the new engines added to the stock, 14 were built in the Government Railway Workshops, and comprised 7 simple superheated tender engines, Class AB, 2 heavy suburban tank engines, Class WAB, and 5 heavy tank engines, Class Ww. Seven simple superheated heavy tender engines, Class BB, were completed under contract with Messrs. A. and G. Price (Limited), of Thames. Three second-hand tank engines were sold, and 1 tank engine was condemned. One car and 16 wagons were sold and written off, and 692 tarpaulins were condemned, written off, and replaced with a similar number of new tarpaulins.

The rolling-stock actually on order and in hand at the end of the year comprised 15 locomotives, 38 cars, 12 bogie brake-vans, 175 bogie and 875 four-wheeled wagons. Owing to the difficulty in obtaining material the work has been considerably retarded, and the prospects for the near future in the matter of obtaining construction material from abroad are not encouraging.

During the year 512 modern car, van, and wagon axles were substituted for the old iron type, increasing the carrying-capacity of each vehicle by 2 tons.

The 21 additional locomotives taken in conjunction with boiler-renewals of locomotives in service has increased the tractive power by 4.41 per cent. The new wagons give an additional capacity of 2,547 tons, equivalent to an addition of 425 ordinary 6-ton trucks, or 1.35 per cent. in carrying-capacity.

The permanent-way structures, buildings, and appliances have been efficiently maintained. 13½ miles of track were relaid during the year with new 70 lb. material. This is, however, much below the fixed standard, owing to the difficulty in obtaining material and the necessity for conserving the stock to meet any emergencies that may arise. A contract has been entered into for the supply of rails, but the prospect of an early delivery is not promising. 93,480 new sleepers and 164,807 cubic yards of ballast were replaced in the track during the year.

The difficulty experienced in obtaining material has retarded the work of strengthening the bridges, and the removal of the restrictions as to the use of the heavier type of locomotives on certain portions of the main lines has in consequence had to be deferred.

A considerable number of improvements have been made in the accommodation at various stations. Interlocking and signal appliances have been extended; water-services, sidings, station yards, and dwellings have been enlarged or improved to suit requirements. Fixed signals have been installed at 9 additional stations, and 15 stations have been equipped with distant signals in addition to previous equipment of home signals. Distant signals have now been erected at all stations where home signals were provided on the North and South Island main lines from