The increase in the cost per train-mile is distributed as follows:—

Branch.				Wages and Contingencies.	Material.	Total.
Locomotive Car and wagon	••		••	d. 1·29 ·56	d 2·18 ·17	d. 3·47 ·73
Totals	••	• •	••	1.85	2.35	4.20

The increase under the heading "Wages and Contingencies" is principally due to the additiona war bonus granted during the year, and to the influenza epidemic, which caused a reduction in the train-mileage without a corresponding reduction in the wages paid.

The increase in cost of material is almost solely due to the increased cost of fuel, which rose from

11.81d. per train-mile in 1917-18 to 13.94d. in 1918-19.

#### TRAFFIC.

Mr. H. Buxton, Chief Traffic Manager, reports that the following are the leading features of the traffic in the various districts as compared with the previous year:-

# Whangarei Section.

Revenue, £54,887; increase, £2,047.

Passengers decreased 9,508.

Season tickets increased 284.

Live-stock increased 1,075.

Goods tonnage increased 7,784; timber decreased 5,800 tons; but minerals increased 10,400 tons and other goods 3,200 tons.

## Kaihu Section.

Revenue, £6,101; decrease, £1,070.

Timber decreased 8,300 tons.

### Gisborne Section.

Revenue, £30,431; increase, £2,224.

Passengers increased 6,000, and season tickets 30.

Live-stock increased 13,970.

Goods tonnage decreased 4,024 tons. There was an increase of 3,261 tons of timber, but a decrease of 7,275 tons of road-metal.

# North Island Main Line and Branches.

Revenue, £2,848,827; increase, £179,462. The principal items of traffic were—

Passengers (number), 6,605,367; decrease, 13,843.

Season tickets (number), 223,075; increase, 21,042.

Parcels, &c. (revenue), £149,434; increase, £3,725. Live-stock (number), 3,437,252; decrease, 177,887. Goods (tons), 1,898,618; increase, 3,940.

The revenue per mile of railway increased from £2,398 4s. 6d. to £2,530 0s. 10s., and per train-mile from 12s.  $6\frac{1}{4}d$ . to 13s. 5d.

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

Auckland.—Revenue, £1,072,680; increase, £100,278. Passengers increased 63,931.

Season tickets increased 12,077.

Parcels, luggage, and mails increased £2,968.

Cattle and calves decreased 4,723, and pigs 11,747. Sheep increased 54,270.

Timber increased 1,894 tons, and minerals 22,397 tons. The increase in minerals is chiefly Waikato coal.

General goods decreased 13,016 tons.

Ohakune.—Revenue, £339,127; increase, £20,688.

Passengers increased 13,389.

Parcels, luggage, and mails increased £411.

Cattle and calves decreased 1,039, sheep 39,420, and pigs 1,147, due chiefly to shortage of space at freezing-works.

Timber decreased 5,336 tons, and minerals (road-metal) 6,256 tons. The output of timber was reduced at the beginning of the year by bush-fires in the vicinity of Ohakune. Some of the sawmills were destroyed.