A decrease of 116,440 tons and £24,673 in revenue is shown in respect of the carriage of artificial manures. The later arrival of inward shipments of slag and phosphate at the various ports, together with a rearrangement of the sources of supply of manures in the North Island during the reconstruction of the Smart Road works appear to be the main factors responsible for the substantial decrease recorded under this heading. Traffic in agricultural lime shows little variation, a decrease of 16,662 tons in the North Island being more than offset by an increase of 19,123 tons in the South Island.

The quantity of benzine conveyed in tank wagons continues to increase year by year due to the increasing numbers of motor-vehicles now in use. An increase in revenue of £23,734 was shown for this

class of traffic this year as compared with the previous year.

Traffic in general lines of merchandise continues buoyant, the returns showing an improvement of 32,215 tons and £86,577 revenue in the North Island, while a decreased tonnage of 6,885 but an increased revenue of £23,750 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:—

		1939.	1938.	Variation.	Per Cent.
Goods-train mileage		7,521,589	7,455,802	+65,787	0.88
Goods earnings		£5,694,936	£5,411,297	+£283,639	$5 \cdot 24$
Revenue goods tonnage		7,539,012	7,516,049	+22,963	$0 \cdot 31$
Average haul (miles)		76	75	+1	$1 \cdot 33$
Average revenue per ton-m	nile	$2 \cdot 43d$.	$2 \cdot 35 d$.	+0.08d.	$3 \cdot 40$
Average revenue per ton		15s. 4d.	14s. 8d.	+8d.	4.50

Due to the increased tariff charges as from 11th December, 1938, goods revenue per goods-train mile increased by 4.32 per cent. and the average revenue per ton by 8d.

Total gross ton-miles revenue	1939.	1938,	Variation.	Per Cent.
freight	1,843,765,273	1,813,585,028	+30,180,245	$1 \cdot 66$
Goods-vehicle miles (loaded)	136,305,330	134,663,510	+1,641,820	$1 \cdot 22$
Goods-vehicle miles (empty)	68,360,728	68,896,119	-535,391	0.78
Total goods-vehicle miles	204,666,058	203,559,629	+1,106,429	0.54

The increases are in keeping with the increase in goods traffic for the year. The ratio of "empty" to "loaded" vehicle miles shows a decided improvement.

Per mile of line— 1939. 1938. Variation. P	er Cent.
Goods revenue £1,721 £1,636 $+$ £85	$5 \cdot 20$
Total tonnage $2,278$ $2,272$ $+6$	0.26
Net ton-miles 173,613 169,626 +3,987	$2 \cdot 35$
Gross ton-miles $557,197$ $548,242$ $+8,955$	1.63
Per train—	
Gross load (tons) $245 \cdot 13$ $243 \cdot 24$ $+1 \cdot 89$	0.78
Net load (tons) $76 \cdot 38$ $75 \cdot 26$ $+1 \cdot 12$	$1 \cdot 49$
Number of vehicles (loaded) 18.12 18.06 $+0.06$	0.33
Number of vehicles (empty) 9.09 9.24 -0.15	$1 \cdot 62$
Per 1,000 gross ton-miles—	
Revenue $£3,089$ $£2,983$ $+£0\cdot106$	3.55
Net ton-miles 312 309 +3	0.97
Per train-mile—	
Revenue $181 \cdot 71d$. $174 \cdot 19d$. $+7 \cdot 52d$.	$4 \cdot 32$
Wagon user—	
Revenue per 4-wheeled goods vehicle £198 £192 $+$ £6	$3 \cdot 13$
Revenue per 4-wheeled live-stock vehicle £174 £193 —£19	9.84
Average wagon-load (tons) $4 \cdot 21$ $4 \cdot 17$ $+0 \cdot 04$	0.96
Average miles per wagon per day $25 \cdot 63$ $26 \cdot 21$ -0.58	$2 \cdot 21$
Average net ton-miles per wagon per annum	
(ordinary goods) 20.707 $20,593$ $+114$	0.55
Average net ton-miles per wagon per annum	
(live-stock) $12,889$ $15,286$ $-2,397$	15.68

The above figures are a fairly complete record of the Department's freight traffic. The mileage operated this year was 3,309, against 3,308 last year. The increases in traffic handled per mile of line operated can be considered satisfactory.

The gross train load increased by 0.78 per cent. and the net train load by 1.49 per cent., due to the increase in the number of loaded vehicles per train.

The substantial decrease in revenue per live-stock vehicle is due to the poor season experienced, which also accounted for the large decrease in average net ton-miles per annum for this class of wagon.