SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

[X]ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended December 31, 1997

OR

[   ]TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from ....to ....

Commission file number 1-4982

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

PARKER RETIREMENT SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

PARKER-HANNIFIN CORPORATION
6035 PARKLAND BOULEVARD
CLEVELAND, OHIO 44124-4141

PARKER RETIREMENT SAVINGS PLAN

INDEX OF FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Board of Directors
of Parker-Hannifin Corporation

We have audited the accompanying statements of net assets available for benefits of the Parker Retirement Savings Plan as of December 31, 1997, and the related statements of changes in net assets available for benefits for the year ended December 31, 1997. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Parker Retirement Savings Plan as of December 31, 1996, were audited by other auditors whose report dated June 27, 1997, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the December 31, 1997 financial statements referred to above present fairly, in all material respects the net assets available for benefits of the Parker Retirement Savings Plan as of December 31, 1997, and the changes in net assets available for benefits for the year ended December 31, 1997 in conformity with generally accepted accounting principles.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules listed in the accompanying index are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material aspects in relation to the basic financial statements taken as a whole.

Ciuni & Panichi Inc.

Cleveland, Ohio
June 18, 1998

INDEPENDENT AUDITORS' REPORT

To the Shareholders and
Board of Directors
Parker-Hannifin Corporation

We have audited the accompanying statement of Net Assets Available for Benefits of the Parker Retirement Savings Plan (the "Plan") as of December 31, 1996, and the related Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 1996. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Parker Retirement Savings Plan as of December 31, 1996, and the changes in net assets available for plan benefits for the year ended December 31, 1996 in conformity with generally accepted accounting principles.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules listed in the accompanying index are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The Fund information in the Statement of Changes in Net Assets Available for Benefits and Note 11 to the financial statements is presented for purposes of additional analysis rather than to present the changes in net assets available for benefits of each fund. The supplemental schedules and Fund Information have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Coopers & Lybrand L.L.P.

Cleveland, Ohio
June 27, 1997

PARKER RETIREMENT SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AT DECEMBER 31, 1997 AND 1996
(000's omitted)

[S]	1997 [C]	1996 [C]
ASSETS		
Investments at fair value:		
Cash and cash equivalents (Notes 1 & 3)	$ 10,351	$ 11,803
Parker-Hannifin Corporation common shares (Notes 1 & 3)	475,169	251,393
Investment contracts (Notes 1 & 5)	140,116	148,731
Other investments (Notes 1 & 3)	312,301	229,910
Participant loans	37,306	29,588
Total investments	975,243	671,425
Receivables:		
Participant contributions	-	21
Accrued interest and dividends	1,187	1,031
Other	32	1,884
Total assets	976,462	674,361
LIABILITIES		
Dividends payable to participants (Note 6)	4,220	3,338
Other	2,669	1,427
Total liabilities	6,889	4,765
Net Assets Available for Benefits	$ 969,573	$ 669,596

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 1997 AND 1996
(000's omitted)

[S]	1997 [C]	1996 [C]
ADDITIONS		
Contributions (Notes 1 & 2):		
Participant payroll deductions	$ 51,549	$ 54,439
Employer's contributions	22,313	19,703
Total contributions	73,862	74,142
Transfers from other plans (Note 2)	-	1,946
Interest income	18,155	13,849
Dividend income - net	1,438	1,271
Net appreciation in the fair value of investments (Notes 1 & 3)	248,406	59,657
Total additions	341,861	150,865
DEDUCTIONS		
Withdrawals and terminations	40,356	34,478
Interest expense (Note 4)	-	290
Trustee fees and expenses	1,528	1,495
Total deductions	41,884	36,263
Net increase in Assets Available for Benefits	299,977	114,602
Net Assets Available - Beginning of year	669,596	554,994

Net Assets Available - End of year	$ 969,573	$ 669,596
	=========	=========

The accompanying notes are an integral part of the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INVESTMENT VALUATION

The investments in Parker-Hannifin Corporation (the Company) common shares, non-convertible corporate bonds, U.S. Government bonds, Key Trust Employee Benefits Value Equity Fund, Key Trust Employee Benefits Fixed Income Fund, AIM Constellation Fund, Capital Guardian International Equity Fund and the Seven Seas S&P 500 Index Fund are valued as of the last reported trade price on the last business day of the period. The Parker Retirement Savings Plan (the Plan) presents in the Statement of Changes in Net Assets Available for Benefits the net appreciation (depreciation) in the fair value of its investments which consists of the realized gains or losses from the sale of investments and the unrealized appreciation (depreciation) on investments held by the Plan.

Investments in the Key Trust Employee Benefits Money Market Fund are valued at market, which approximates cost. Refer to Note 5 for information relating to the Contract Income Fund.

Management believes that the Plan's investments are well diversified and do not create a significant concentration of credit risk. Participants assume all risk in connection with any decrease in the market price of any securities in all the Funds. Although the annual rates of return with respect to the contracts held in the Contract Income Fund are guaranteed by major insurance and bank companies, the Company does not make any representations as to the financial capability of such companies or their ability to make payments under the contracts.

CONTRIBUTIONS

Contributions from employees and the Company are recorded in the period that payroll deductions are made from Plan participants.

Company contributions are invested solely in the ESOP Fund, which holds Company stock and some cash.

OTHER

Purchases and sales of securities are reflected on a trade-date basis.

Dividend income is recorded on the ex-dividend date. Interest and other income are recorded as earned on the accrual basis.

Costs incident to the purchase and sale of securities, such as brokerage commissions and stock transfer taxes, as well as investment advisory fees, are charged to the Funds to which they relate and netted against interest income. All other costs and expenses incurred in administering the Plan, including fees of the Trustee, are paid out of the Plan's assets, unless the Company elects to pay such costs.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Benefits are recorded when paid.

2. DESCRIPTION OF PLAN

GENERAL

The following description of the Plan provides only general information. Participants should refer to the Plan agreement or summary plan description for a more complete description of the Plan's provisions.

The Plan is a defined contribution plan covering all regular and part-time non-union employees who have 90 days of service. It is subject to the provisions of the Employee Retirement Income Security Act (ERISA) of 1974, as amended.

2. DESCRIPTION OF PLAN, Continued

CONTRIBUTIONS AND TRANSFERS

A participant may elect to contribute, through payroll deductions, not less than 1% nor more than 15% of his total compensation for a Plan year and may change such percentage upon request. The amount which a highly compensated employee may contribute may be limited in order to comply with Internal Revenue Code sections 401(k) and 401(m). A participant may suspend his contributions at any time. Upon enrollment or re-enrollment, each participant stipulates his contributions to be invested in accordance with the following investment options:

(a) Company Stock Fund - Invested primarily in Common Shares of the Company purchased on the open market. A participant's contribution is limited to 50% invested in this fund.

(b) Fixed Income Fund - Invested primarily in securities which have a fixed rate of return such as government and high-quality corporate bills, notes, bonds, and other similar investments of issuers other than the Company.

(c) Equity Fund - Invested primarily in common stock of high-quality medium and large capitalization companies other than the Company.

(d) Contract Income Fund - Invested primarily in high-quality fixed income investments such as contracts issued by insurance companies and banks which provide a return guaranteed by the issuer, and debt securities such as notes and bonds issued by Federal agencies or mortgage backed securities, with each of these investments typically providing a stable rate of return for a specific period of time. Refer to Note 5 for a further description of this fund.

(e) Balanced Fund - Invested primarily in bonds, convertible securities, money market investments, and common stocks of high-quality medium and large capitalization companies other than the Company.

(f) Small Capitalization Fund - Invested primarily in equity securities of small and medium-sized companies that have demonstrated or have the potential for above-average capital growth.

(g) International Fund - Invested primarily in common stocks, preferred stocks, warrants and rights to subscribe to common stocks on non-U.S. issuers.

(h) S&P 500 Index Fund - Invested in stocks which comprise the S&P 500 Index, most of which are listed on the New York Stock Exchange.

TRANSFER OF PROFIT-SHARING ACCOUNT BALANCES

A participant who has an account attributable to the old Profit-Sharing Plan (replaced by the Retirement Plan) may make an irrevocable election to have his entire account balance transferred to the Plan. The account balance may be transferred upon request.

TRANSFERS FROM OTHER PLANS

As a result of an acquisition in 1996, $1,945,530 was transferred into the Plan from the account balances of the Symmetrics Savings Plan.

TRANSFERS AMONG SAVINGS PLAN FUNDS

A participant may elect to reallocate at any time his account balances attributable to his contributions invested in any Fund (other than the ESOP Fund) to one or more of the other Funds. A participant age 55 or older, with 10 or more years of participation in the Plan, may transfer a portion of the shares of stock in the ESOP Fund to any of the investment funds within the Plan. Such transfer may be made anytime during the year.

2. DESCRIPTION OF PLAN, Continued

PARKER-HANNIFIN CORPORATION CONTRIBUTIONS

The Company makes matching contributions based on the first 5% of a participant's deferred compensation (before-tax) contributions. The Company contributes an amount equal to 100% of the first 3% of the monthly before-tax contributions and an amount equal to 25% of the 4th percent and 5th percent of the contribution. Effective in 1996, the Company eliminated the match on the first 3% of after-tax contributions and matches only the 4th percent and 5th percent at 25%. Company contributions match the before-tax contributions prior to the after-tax contributions. Company contributions are invested solely in the ESOP Fund.

PARTICIPANT LOANS

The Plan has a loan provision which allows an active participant to borrow a minimum of $500 and up to a maximum of a) 50% of his account balance or b) $50,000 minus the largest outstanding loan balance he had in the last 12 months, whichever is less. The loan must be repaid, with interest equal to the prime rate at the time the loan is entered into plus 1%, over a period from 1 year to 4 1/2 years for a general purpose loan and up to ten years for a residential loan. Participant loans are valued at cost, which approximates fair value.

PLAN PARTICIPANTS

The number of active participants in each fund at December 31, 1997 and 1996 are as follows:

	1997	1996
ESOP Fund	17,663	17,170
Company Stock Fund	12,147	11,541
Fixed Income Fund	5,863	6,358
Equity Fund	12,009	11,189
Contract Income Fund	10,561	11,756
Balanced Fund	6,655	6,083
Small Capitalization Fund	3,923	2,839
International Fund	3,132	2,239
S&P 500 Index Fund	4,953	2,655

The total number of participants in the Plan is less than the sum of the number of participants shown above because many were participating in more than one fund.

PARTICIPANT ACCOUNTS

Effective March 1, 1996, the Plan converted to the unit value method for allocating Plan earnings for all funds with the exception of the Company Stock and ESOP Funds which were converted April 1, 1997. The unit values are determined on a daily basis and are presented excluding contributions receivable and benefits payable. The total number of units and unit values as of December 31, 1997 and 1996 by fund are as follows:

<TABLE>
<CAPTION>

	1997		1996	
Investment Options	Total Number of Units	Net Asset Unit Value	Total Number of units	Net Asset Unit Value
<S>	<C>	<C>	<C>	<C>
ESOP	21,639,556.79	$16.21	-	-
Company Stock	7,778,762.78	$16.23	-	-
Fixed Income Fund	2,629,499.16	$11.34	2,629,706.83	$10.45
Equity Fund	9,945,404.96	$15.34	10,160,947.99	$11.90
Contract Income Fund	13,091,421.82	$11.20	14,801,663.07	$10.52
Balanced Fund	4,126,273.55	$13.78	3,768,542.95	$11.37
Small Capitalization Fund	844,330.36	$26.38	611,819.96	$25.26
International Fund	676,171.69	$19.74	497,833.72	$18.06
S&P 500 Index Fund	1,926,160.05	$19.66	1,000,933.38	$15.57

</TABLE>

3. INVESTMENTS

<TABLE>
<CAPTION>

The Plan investments at December 31, were as follows:

(000's omitted except on number of shares or units)

1997	Number of Shares or Units	Fair Value	Cost
<S>	<C>	<C>	<C>
Cash and cash equivalents			
Employee Benefits Money Market Fund	10,351,068	$ 10,351	$ 10,351
Common Shares			
Parker Hannifin Corporation - Allocated	10,357,909	475,169	162,976

Investment Contracts - estimated	140,116,435	140,116	140,116
Other Investments			
AIM Constellation Fund	844,330	22,273	22,281
Capital Guardian International Equity Fund	676,172	13,348	12,673
Seven Seas S&P 500 Index Fund	1,926,160	37,868	32,942
Employee Benefits Fixed Income Fund	257,380	23,235	20,083
Employee Benefits Value Equity Fund	451,757	186,358	92,875
U.S. Government Securities	13,376,799	13,778	13,640
Corporate Debt Instruments	14,901,498	15,441	15,257
		312,301	209,751
Participant Loans - estimated	37,306,280	37,306	37,306
Total Assets Held for Investment		$ 975,243	$ 560,500
1996			
Cash and cash equivalents			
Employee Benefits Money Market Fund	11,803,416	$ 11,803	$ 11,803
Common Shares			
Parker Hannifin Corporation - Allocated	6,487,567	251,393	128,034
Investment Contracts - estimated	148,730,778	148,731	148,731
Other Investments			
AIM Constellation Fund	611,820	15,455	15,216
Capital Guardian International Equity Fund	497,833	8,991	8,382
Seven Seas S&P 500 Index Fund	1,000,933	15,585	14,754
Employee Benefits Fixed Income Fund	169,171	13,956	12,275
Employee Benefits Value Equity Fund	470,963	150,176	82,635
U.S. Government Securities	17,692,244	18,154	18,040
Corporate Debt Instruments	7,600,000	7,593	7,590
		229,910	158,892
Participant Loans - estimated	29,588,434	29,588	29,588
Total Assets Held for Investment		$ 671,425	$ 477,048

</TABLE>

The net realized gain on disposition of investments included in the Plan equity is as follows:

	1997	1996
Selling price	$ 209,435	$ 72,242
Cost*	181,395	59,321
Realized gain	$ 28,040	$ 12,921

The net unrealized appreciation of investments included in the Plan equity is as follows:

Balance at December 31, 1995	$ 147,641
Change for the fiscal period	46,736
Balance at December 31, 1996	194,377
Change for the fiscal period	220,366
Balance at December 31, 1997	$ 414,743

* Cost of securities sold is determined on an average historical cost basis.

4. ESOP FUND NOTES PAYABLE

During May and June of 1989, the ESOP Fund borrowed $70 million to purchase 3.75 million shares of the Company's common stock on the open market. The loan was guaranteed by the Company. Commencing July 1, 1989 and continuing over the period of the loan, the shares purchased by the ESOP Fund were allocated to participants making contributions to the Plan (see Note 2). The ESOP Fund used Company contributions and cash dividends received on unallocated shares to repay the loan plus interest (8.41% per annum for 1996). Graduated principal payments and related interest were due semiannually, commencing December 31, 1989 and ending on June 30, 1996.

5. CONTRACT INCOME FUND

Reported in the aggregate for the Contract Income Fund at December 31:

	1997	1996
Contract Value of Assets	$ 146,626,466	$ 155,753,873
Fair Value of Assets	$ 146,981,405	$ 155,405,312
Average Yield of Assets	6.39%	6.58%
Return on assets for the 12 months ended December 31	6.55%	6.37%
Duration	2.49 years	2.13 years

The above information is provided in compliance with the AICPA Statement of Position 94-4 (SOP 94-4). SOP 94-4 requires that fair value be based upon the standard discounted cash flow methodology as referred to in the Statement of Financial Accounting Standards No. 107. To arrive at the above aggregate fair value, comparable duration Wall Street Journal Guaranteed Investment Contract (GIC) Index rates were used as the discount factor within the discounted cash flow formula. A standard present value calculation has been employed to arrive at a current value for each cash flow within a contract. The sum of the present values for each contract's cash flows is the estimated total fair value for that contract. All of the contract fair values are then added together to arrive at the above aggregate fair value for the portfolio.

The Contract Income Fund contains a managed synthetic GIC. This is a portfolio of securities owned by the Fund with a benefit-responsive, book-value "wrap" contract associated with the portfolio. The wrap contract assures that book-value, benefit-responsive payments can be made for participant withdrawals. The managed synthetic GIC included in the above amounts at December 31, 1997 and 1996 had a contract value of $48,093,253 and $45,207,576, while the fair value was $49,116,395 and $44,960,145, respectively. The crediting rate on the managed synthetic GIC resets at least quarterly and will have an interest rate of no less than 0%.

At December 31, 1997 and 1996 the Contract Income Fund contained a non-benefit responsive contract. SOP 94-4 recommends that this contract be carried at a fair value. However, the Fund's non-benefit responsive contract was not a large enough representation of the portfolio (1.8% and 1.6% at December 31, 1997 and 1996, respectively) to result in a material impact on the Contract Income Fund. Therefore, this contract has been reported at contract value in the financial statements.

It is important to note that, in the absence of an actively traded market, discounted cash flows are only an estimate of the contract's economic value. These values are not a useful value for participant statement purposes nor are they representative of the value which may be received from these contracts in either a participant disbursement or an early termination of the contract.

Certain employer initiated events (e.g., layoffs, bankruptcy, plant closings, plan termination, mergers, early retirement incentives) are not eligible for book value disbursements even from fully benefit responsive contracts. These events may cause liquidation of all or a portion of a contract at a market value adjustment. If the likelihood of such a non-book value withdrawal incident is imminent, it may be necessary to consider a revaluation of those particular Contract Income Fund contracts.

6. VESTING, WITHDRAWALS AND DISTRIBUTIONS

A participant's interest in the Plan attributable to his own contributions and Company contributions is fully vested at all times. A participant may withdraw in cash a portion of his contributions, subject to certain limitations and restrictions.

After a participant terminates employment for any reason, all amounts are distributable to him or, if he is deceased, to his designated beneficiary. If his interest exceeds $3,500 ($5,000 in 1998), he may defer his distribution up to his attainment of age 70 1/2. Distribution is either in a single payment, quarterly installments or, by purchase of an annuity. Amounts held in the Company Stock Fund and ESOP Fund are distributed in the form of Common Shares or cash, as the participant elects. All other amounts are distributed in the form of cash or annuity.

Dividends received by the ESOP Fund with respect to allocated Company shares are paid to participants subsequent to the end of each plan year.

7. TAX STATUS

The Internal Revenue Service has determined and informed the Company by letter dated July 24, 1995, that the Plan, and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Since receiving the determination letter the Plan has been amended to provide for various administrative changes including adding additional investment funds and furnishing daily valuations. The Plan administrator and the Plan's tax counsel believe that the Plan continues to be designed and operated in compliance with the applicable provisions of the IRC.

Contributions matched by the Company and all earnings are not taxable until distributed to the participants. Participants are allowed to make deferred compensation contributions to the Plan in amounts up to 15% of their total compensation but not to exceed $9,500 in 1997 and 1996 (may be adjusted annually for cost-of-living increases). Such contributions are made in accordance with a salary reduction arrangement under Section 401(k) of the Internal Revenue Code of 1986, as amended, and are treated for federal income tax purposes as Company contributions. Contributions by highly compensated employees are limited in accordance with section 401(k).

8. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company, by action of its Board of Directors, without further approval by the shareholders, has the right to amend, modify, suspend, or terminate the Plan in its entirety, or as to any subsidiary or operating location. No amendment, modification, suspension, or termination shall provide that assets held in trust by the Trustee may be used for or diverted to purposes other than for the exclusive benefit of participants or their beneficiaries. If the Plan is terminated, the Company contributions credited to each affected participant shall continue to be fully vested.

9. RECONCILIATION WITH FORM 5500

The Department of Labor requires that amounts owed to withdrawing but unpaid former participants be classified as a plan liability on Form 5500, while these amounts are not reported as a liability in the Statements of Net Assets Available for Benefits. As a result, the following reconciliations were prepared:

	1997	1996
Net assets per Form 5500	$ 969,417,579	$ 669,509,061
Distributions payable that are allocated but unpaid to former participants	156,485	87,212
Plan Equity per financial statements	$ 969,574,064	$ 669,596,273
Distributions to former participants per Form 5500	$ 40,425,753	$ 31,947,842
Distributions payable that are allocated but unpaid to former participants	(156,485)	(87,212)
Prior year distributions payable that were paid to former participants in the current year	87,212	2,616,830
Distributions to former participants per financial statements	$ 40,356,480	$ 34,477,460

10. YEAR 2000 CONSIDERATIONS

The Company is taking actions to assure that its computer systems are capable of processing periods for the year 2000 and beyond. The Company is also determining whether third party service providers have reasonable plans in place to become year 2000 compliant. This project is currently expected to be substantially complete in early 1999 and the Company does not expect this project to have a significant effect on plan operations.

11. ASSET ALLOCATION

As described in Note 2, the participants may elect to invest their contributions in eight investment funds and Company contributions are invested in the ESOP Fund. The allocation of assets and liabilities, and the additions and deductions among the investment funds as well as the ESOP and Loan Funds follows on pages 11 through 14.

11). ASSET ALLOCATION, continued

<TABLE>
<CAPTION>

PARKER RETIREMENT SAVINGS PLAN
ALLOCATION OF NET ASSETS AVAILABLE FOR BENEFITS - INVESTMENT PROGRAMS
DECEMBER 31, 1997
(000's omitted)

	ESOP Fund	Company Stock Fund	Fixed Income Fund	Equity Fund	Contract Income Fund	Balanced Fund
<S>	<C>	<C>	<C>	<C>	<C>	<C>
ASSETS						
Investments, at fair value:						
Cash and cash equivalents	$ 3,416	$ 214	$ 202	$ 42	$ 6,477	$ -
Parker-Hannifin Corporation common shares	347,955	127,214	-	-	-	-
Investment contracts	-	-	-	-	140,116	-
Other investments	-	-	29,219	152,594	-	56,999
Participant loans	-	-	-	-	-	-
Total investments	351,371	127,428	29,421	152,636	146,593	56,999
Receivables:						
Accrued interest and dividends	20	7	385	-	775	-
Other	-	-	32	-	-	-
Total assets	351,391	127,435	29,838	152,636	147,368	56,999
LIABILITIES						
Dividends payable to participants	4,220	-	-	-	-	-
Other	600	1,266	14	-	789	-
Total liabilities	4,820	1,266	14	-	789	-
Net Assets Available for Benefits	$ 346,571	$ 126,169	$ 29,824	$ 152,636	$ 146,579	$ 56,999

(Table continued)

	Small Capitali-zation Fund	Inter-national Fund	S&P 500 Index Fund	Loan Fund	Total
	<C>	<C>	<C>	<C>	<C>
ASSETS					
Investments, at fair value:					
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ 10,351
Parker-Hannifin Corporation common shares	-	-	-	-	475,169
Investment contracts	-	-	-	-	140,116
Other investments	22,273	13,348	37,868	-	312,301
Participant loans	-	-	-	37,306	37,306
Total investments	22,273	13,348	37,868	37,306	975,243

Receivables:					
Accrued interest and dividends	-	-	-	-	1,187
Other	-	-	-	-	32
Total assets	22,273	13,348	37,868	37,306	976,462
LIABILITIES					
Dividends payable to participants	-	-	-	-	4,220
Other	-	-	-	-	2,669
Total liabilities	-	-	-	-	6,889
Net Assets Available for Benefits	$ 22,273	$ 13,348	$ 37,868	$ 37,306	$ 969,573

</TABLE>

11). ASSET ALLOCATION, continued
<TABLE>
<CAPTION>

PARKER RETIREMENT SAVINGS PLAN
ALLOCATION OF NET ASSETS AVAILABLE FOR BENEFITS - INVESTMENT PROGRAMS
DECEMBER 31, 1996
(000's omitted)

<S>	ESOP Fund <C>	Company Stock Fund <C>	Fixed Income Fund <C>	Equity Fund <C>	Contract Income Fund <C>	Balanced Fund <C>
ASSETS						
Investments, at fair value:						
Cash and cash equivalents	$ 2,902	$ 653	$ 1,271	$ -	$ 6,977	$ -
Parker-Hannifin Corporation common shares	187,635	63,758	-	-	-	-
Investment contracts	-	-	-	-	148,731	-
Other investments	-	-	25,747	121,331	-	42,802
Participant loans	-	-	-	-	-	-
Total investments	190,537	64,411	27,018	121,331	155,708	42,802
Receivables:						
Participants' contributions	-	-	-	21	-	-
Accrued interest and dividends	17	2	436	-	548	-
Other	1,318	-	28	-	263	136
Total assets	191,872	64,413	27,482	121,352	156,519	42,938
LIABILITIES						
Dividends payable to participants	3,338	-	-	-	-	-
Other	-	35	17	415	627	40
Total liabilities	3,338	35	17	415	627	40
Net Assets Available for Benefits	$ 188,534	$ 64,378	$ 27,465	$ 120,937	$ 155,892	$ 42,898

(Table continued)

	Small Capitalization Fund <C>	International Fund <C>	S&P 500 Index Fund <C>	Loan Fund <C>	Total <C>
ASSETS					
Investments, at fair value:					
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ 11,803
Parker-Hannifin Corporation common shares	-	-	-	-	251,393
Investment contracts	-	-	-	-	148,731
Other investments	15,454	8,991	15,585	-	229,910
Participant loans	-	-	-	29,588	29,588

Total investments	15,454	8,991	15,585	29,588	671,425
Receivables:					
Participants' contributions	-	-	-	-	21
Accrued interest and dividends	-	-	28	-	1,031
Other	61	35	43	-	1,884
Total assets	15,515	9,026	15,656	29,588	674,361
LIABILITIES					
Dividends payable to participants	-	-	-	-	3,338
Other	188	14	91	-	1,427
Total liabilities	188	14	91	-	4,765
Net Assets Available for Benefits	$ 15,327	$ 9,012	$ 15,565	$ 29,588	$ 669,596

</TABLE>

11) ASSET ALLOCATION, continued

<TABLE>
<CAPTION>

PARKER RETIREMENT SAVINGS PLAN
ALLOCATION OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - INVESTMENT PROGRAMS
DECEMBER 31, 1997
(000's omitted)

<S>	ESOP Fund <C>	Company Stock Fund <C>	Fixed Income Fund <C>	Equity Fund <C>	Contract Income Fund <C>	Balanced Fund <C>
ADDITIONS						
Contributions:						
Participant payroll deductions	$ -	$ 8,413	$ 3,699	$ 14,512	$ 9,632	$ 6,050
Employer	22,313	-	-	-	-	-
Total contributions	22,313	8,413	3,699	14,512	9,632	6,050
Interfund transfers	(2,092)	6,311	(1,277)	(11,617)	(14,834)	1,266
Interest income	205	137	1,824	62	9,877	-
Dividend income - net	-	1,438	-	-	-	-
Net appreciation in the fair value of investments	147,306	49,467	485	35,310	-	9,590
Total additions	167,732	65,766	4,731	38,267	4,675	16,906
DEDUCTIONS						
Withdrawals and terminations	9,695	3,975	2,263	5,890	13,613	2,500
Trustee fees and expenses	-	-	109	678	375	305
Total deductions	9,695	3,975	2,372	6,568	13,988	2,805
Net increase (decrease) in Assets Available for Benefits	158,037	61,791	2,359	31,699	(9,313)	14,101
Net Assets Available - Beginning of year	188,534	64,378	27,465	120,937	155,892	42,898
Net Assets Available - End of year	$ 346,571	$ 126,169	$ 29,824	$ 152,636	$ 146,579	$ 56,999

(Table continued)

	Small Capitali-zation Fund <C>	Inter-national Fund <C>	S&P 500 Index Fund <C>	Loan Fund <C>	Total <C>
ADDITIONS					
Contributions:					
Participant payroll deductions	$ 3,376	$ 2,037	$ 3,830	$ -	$ 51,549
Employer	-	-	-	-	22,313

Total contributions	3,376	2,037	3,830	-	73,862
Interfund transfers	2,158	1,939	12,300	5,846	-
Interest income	1,653	1	1,648	2,748	18,155
Dividend income - net	-	-	-	-	1,438
Net appreciation in the fair value of investments	389	811	5,048	-	248,406
Total additions	7,576	4,788	22,826	8,594	341,861
DEDUCTIONS					
Withdrawals and terminations	608	440	496	876	40,356
Trustee fees and expenses	22	12	27	-	1,528
Total deductions	630	452	523	876	41,884
Net increase (decrease) in Assets Available for Plan Benefits	6,946	4,336	22,303	7,718	299,977
Net Assets Available - Beginning of year	15,327	9,012	15,565	29,588	669,596
Net Assets Available - End of year	$ 22,273	$ 13,348	$ 37,868	$ 37,306	$ 969,573

</TABLE>

11). ASSET ALLOCATION, continued

<TABLE>
<CAPTION>

PARKER RETIREMENT SAVINGS PLAN
ALLOCATION OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - INVESTMENT PROGRAMS
DECEMBER 31, 1996
(000's omitted)

<S>	ESOP Fund <C>	Company Stock Fund <C>	Fixed Income Fund <C>	Equity Fund <C>	Contract Income Fund <C>	Balanced Fund <C>
ADDITIONS						
Contributions:						
Participant payroll deductions	$ -	$ 7,388	$ 4,293	$ 14,792	$ 10,534	$ 7,323
Employer	19,703	-	-	-	-	-
Total contributions	19,703	7,388	4,293	14,792	10,534	7,323
Transfers from other plans	-	205	65	554	274	442
Interfund transfers	(1,378)	(5,915)	(2,330)	(8,798)	(17,673)	(2,097)
Interest income	259	62	1,684	2	9,840	32
Dividend income - net	67	1,204	-	-	-	-
Net appreciation (depreciation) in the fair value of investments	20,647	7,514	(652)	23,318	-	5,844
Total additions	39,298	10,458	3,060	29,868	2,975	11,544
DEDUCTIONS						
Withdrawals and terminations	6,957	2,911	1,424	4,289	16,604	1,610
Interest expense	290	-	-	-	-	-
Trustee fees and expenses	-	6	111	637	441	231
Total deductions	7,247	2,917	1,535	4,926	17,045	1,841
Net increase (decrease) in Assets Available for Benefits	32,051	7,541	1,525	24,942	(14,070)	9,703
Net Assets Available - Beginning of year	156,483	56,837	25,940	95,995	169,962	33,195
Net Assets Available - End of year	$ 188,534	$ 64,378	$ 27,465	$ 120,937	$ 155,892	$ 42,898

(Table continued)

Small

	Capitali-zation Fund	Inter-national Fund	S&P 500 Index Fund	Loan Fund	Total
	<C>	<C>	<C>	<C>	<C>
ADDITIONS					
Contributions:					
Participant payroll deductions	$ 3,988	$ 2,448	$ 3,673	$ -	$ 54,439
Employer	-	-	-	-	19,703
Total contributions	3,988	2,448	3,673	-	74,142
Transfers from other plans	127	93	186	-	1,946
Interfund transfers	10,432	5,871	10,256	11,632	-
Interest income	-	1	160	1,809	13,849
Dividend income - net	-	-	-	-	1,271
Net appreciation (depreciation) in the fair value of investments	881	665	1,440	-	59,657
Total additions	15,428	9,078	15,715	13,441	150,865
DEDUCTIONS					
Withdrawals and terminations	88	60	100	435	34,478
Interest expense	-	-	-	-	290
Trustee fees and expenses	13	6	50	-	1,495
Total deductions	101	66	150	435	36,263
Net increase (decrease) in Assets Available for Benefits	15,327	9,012	15,565	13,006	114,602
Net Assets Available - Beginning of year	-	-	-	16,582	554,994
Net Assets Available - End of year	$ 15,327	$ 9,012	$ 15,565	$ 29,588	$ 669,596

</TABLE>

<TABLE>
<CAPTION>

PARKER RETIREMENT SAVINGS PLAN
ITEM 27a - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
FOR THE YEAR ENDED DECEMBER 31, 1997

Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value
<S>	<C>	<C>	<C>
Employee Benefits Money Market Fund	Cash and cash equivalents	$ 10,351,068	$ 10,351,068
Parker Hannifin Corporation	10,357,909 Common Shares	162,976,655	475,169,075
AIM	844,330 units of AIM Constellation Fund	22,280,588	22,273,435
Capital Guardian	676,172 units of Capital Guardian Intl Equity Fund	12,672,747	13,347,629
Seven Seas	1,926,160 units of Seven Seas S&P 500 Index Fund	32,941,896	37,868,307
Key Bank	257,380 units of Employee Benefits Fixed Income Fund	20,082,844	23,235,321
Key Bank	451,757 units of Employee Benefits Value Equity Fund	92,875,012	186,357,572
Participant Loans	Participant loans - variable interest rates	37,306,280	37,306,280
U.S. Government Securities:			
Federal Home Loan Mortgage Corp.	6% due 06-01-2009	260,677	268,258
Federal Home Loan Mortgage Corp.	7% due 12-01-2026	683,611	688,286
Federal Home Loan Mortgage Corp.	7% due 12-01-2027	710,977	713,186
Federal Home Loan Mortgage Corp.	6.5% due 12-01-2010	286,496	294,781
Federal Home Loan Mortgage Corp.	8% due 09-01-2017	430,573	

			435,588
Federal Home Loan Mortgage Corp.	6.5% due 07-01-2010	92,233	94,901
Federal Home Loan Mortgage Corp.	6.24% due 10-06-2004	362,452	369,676
Federal Home Loan Mortgage Corp.	5.9% due 10-10-2002	556,786	559,126
Federal Home Loan Mortgage Corp.	6.56% due 12-10-2007	300,000	301,593
Federal Home Loan Mortgage Corp.	7% due 11-01-2027	167,890	169,016
GNMA	7.5% due 9-15-2021	1,014,584	1,018,663
GNMA	7% due 01-15-2024	70,520	72,537
GNMA	7.5% due 01-15-2027	151,437	151,483
GNMA	7.5% due 02-15-2027	185,998	186,623
GNMA	8% due 08-15-2027	162,734	163,056
GNMA	8% due 06-15-2027	145,808	146,060
GNMA	7.5% due 07-15-2027	135,244	135,699
GNMA	7.5% due 07-15-2027	106,083	106,115
GNMA	8% due 10-15-2027	285,047	285,646
GNMA	7.5% due 08-15-2027	140,899	140,941
GNMA	7.5% due 10-15-2027	184,498	185,119
GNMA	7.5% due 8-15-2027	98,454	98,785
GNMA	7.5% due 8-15-2027	107,145	107,177
GNMA	7.5% due 12-15-2027	508,894	510,136
GNMA	9% due 6-15-2022	337,790	341,542
GNMA	8% due 7-15-2017	439,990	440,575
GNMA	7.5% due 12-15-2025	661,654	662,558
United States Treasury Bonds	6.5% due 11-15-2026	2,855,519	2,919,613
United States Treasury Bonds	6.375% due 8-15-2027	282,348	289,955
United States Treasury Notes	5% due 1-31-1999	846,930	848,398
United States Treasury Notes	6.375% due 3-31-2001	431,531	435,006
United States Treasury Notes	6.625% due 3-31-2002	15,434	15,488
United States Treasury Notes	6% due 8-15-2000	467,979	468,343
United States Treasury Notes	6.125% due 8-15-2007	151,875	154,172
Total U.S. Govt. Securities		13,640,090	13,778,101

Continued on next page

Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value
<S>	<C>	<C>	<C>
Corporate Debt Instruments:			
Applied Materials Inc	Senior NT 6.75% due 10-15-2007	100,179	100,386
Archer Daniels Midland	Bond 6.75% due 12-15-2027	197,744	

			200,346
Bankers Trust NY Corp	Med Term Note due 6.7% 10-1-2007	274,299	274,508
Chase Manhattan Auto Owner	ABS 5.95% due 11-15-2000	348,359	349,563
Chase Manhattan Auto Owner	ABS 6.25% due 11-15-2000	349,836	350,875
Chesapeake & Potomac Telephone	Deb 8.375% due 10-01-2029	1,574,833	1,609,777
Citicorp	Note 5.625% due 02-15-2001	979,100	984,080
Commercial Credit	Note 6.75% due 05-15-2000	504,760	505,845
Copelco Capital FDG Corp	ABS 6.74% due 4-20-2005	349,921	352,844
Dr Invts	Note 7.1% due 5-15-2002	274,843	281,828
EQCC Home Equity Loan Tr	ABS 6.41% due 12-15-2004	179,972	180,338
First Union - Lehman Bros Coml	Note 7.38% due 4-18-2007	252,463	264,453
Ford Motor Credit Corporation	Note 6.25% due 02-26-1998	1,000,640	1,000,260
Gannett Incorporated	Notes 5.85% due 05-01-2000	466,500	497,830
General Electric Company	Deb 7.875% due 09-15-1998	509,050	506,495
Lehman Bros Holdings Inc	Note 7.625% due 7-15-1999	1,022,090	1,019,350
Liberty Mutual Ins Co	Note 8.2% due 5-4-2007	327,644	332,475
Lockheed Martin	Note 7.25% due 05-15-2006	499,530	524,045
Lockheed Martin	Deb 7.2% due 5-1-2036	149,702	162,558
Loews Corp	Note 6.75% due 12-15-2006	176,624	176,230
Merrill Lynch Mtg Invs Inc	CMO 7.12% due 6-18-2029	201,938	208,500
Nationsbank Credit Card	CMO 6% due 12-15-2005	173,995	173,413
Phillip Morris Company Inc	Note 6.375% due 01-15-1998	868,904	850,017
Premier Auto	ABS 6.35% due 4-6-2002	349,560	351,859
Railcar	ABS 7.75% due 6-1-2004	341,028	348,153
Service Corp International	Note 6.375% due 10-01-2000	998,540	1,001,820
Lehman Large Loan	CMO 6.79% due 6-12-2004	454,629	458,248
Money Store Home Equity	ABS 7.5% due 1-15-2026	412,080	415,804
Tele Communications Inc	Note 8.25% due 1-15-2003	105,844	106,789
Time Warner Inc	Deb 8.11% due 8-15-2006	420,531	433,040
Toyota Auto Rec	ABS 6.45% due 4-15-2002	288,043	289,305
USX Marathon Group	Note 7.2% due 2-15-2004	803,880	825,304
Western Resources Inc	Note 6.875% due 8-01-2004	299,679	304,482
Total Corporate Debt Instruments		15,256,740	15,440,820

Continued on next page

Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current value
<S>	<C>	<C>	<C>

Investment Contracts:

Business Mens Assurance Co	6.9% due 10-01-2001	3,051,438	3,051,438
Caisse Des Depots ET Consignations	5.44% due 12-26-2000	3,340,236	3,340,236
Caisse Des Depots ET Consignations	6.51% due 1-15-2002	4,053,575	4,053,575
Capital Holding Corp	5.91% due 07-15-2000	2,997,684	2,997,684
Commonwealth Life Insurance	5.47% due 10-25-2004	10,004,734	10,004,734
Commonwealth Life Insurance	6.648% due 08-08-1999	9,993,080	9,993,080
Confederation Life	9.29% due 02-23-1995	69,977	69,977
Metropolitan Life	6.75% due 11-14-2000	2,546,523	2,546,523
New York Life Insurance Co	7.15% due 09-15-1998	2,552,400	2,552,400
New York Life Insurance Co	5.8% due 11-15-1999	6,239,740	6,239,740
Ohio National Life	7.12% due 6-15-2002	3,205,737	3,205,737
Principal Mutual Life Insurance Co	5.45% due 06-15-1999	4,946,631	4,946,631
Protective Life Insurance Co	6.89% due 9-15-2002	4,222,854	4,222,854
Safeco Life Insurance Co	7.04% due 12-15-2002	3,647,165	3,647,165
Safeco Life Insurance Co	6.49% due 11-15-2002	2,540,007	2,540,007
Union Bank Switzerland	6.64% due 08-15-1999	10,017,762	10,017,762
Union Bank Switzerland	5.9271% due 03-25-2000	10,304,524	10,304,524
Bankers Trust	Basic Contract # 94-773 7.74% due 04-07-1999	2,013,100	2,013,100
Bankers Trust	Synthetic GIC No maturity Floating rate	48,093,253	48,093,253
Bankers Trust	FL RT% due 03-25-1999	507,215	507,215
Bankers Trust	Contract # 92-286 7.204998% due 11-15-1998	249,407	249,407
Transamerica	Occidental Life # 76524 8.12% due 11-07-1998	2,521,452	2,521,452
Transamerica	Synthetic GIC # 76554 FL RT% due 6-15-2000	2,997,940	2,997,940
Total Investment Contracts		140,116,434	140,116,434
Total Assets Held for Investment		$ 560,500,354	$ 975,244,042

</TABLE>

<TABLE>
<CAPTION>

THE PARKER RETIREMENT SAVINGS PLAN
ITEM 27d - SCHEDULE OF REPORTABLE TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 1997

The following schedule represents Plan transactions or series of transactions in excess of 5% of current value of Plan assets for the year ended December 31, 1997.

Description	# of Transactions	Purchase Price	Proceeds	Cost of Asset	Gain or loss
<S>	<C>	<C>	<C>	<C>	<C>
Key Trust Employee Benefits Money Market	557	$ 155,369,893			
Key Trust Employee Benefits Money Market	520		$ 156,822,239	$ 156,822,239	$ -
Parker Hannifin Corp Common	61	40,757,938			
Parker Hannifin Corp Common	36		13,143,540	5,203,082	7,940,458

Employee Benefit Value Equity Fund	253	29,110,737			
Employee Benefit Value Equity Fund	268		36,003,710	18,870,538	17,133,172

</TABLE>

NOTE: There is no separate determination of expenses related to the above transactions.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Administrator of the Plan has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

PARKER RETIREMENT SAVINGS PLAN

BY: Michael J. Hiemstra
Michael J. Hiemstra
Vice President-Finance & Administration
& Chief Financial Officer
Parker-Hannifin Corporation

June 26, 1998