

The Tararu, Waiotahi, and Karaka Tramways were then constructed; also the Hape Tramway.

After a time branch lines as feeders became necessary, to enable certain claims to send down quartz to the crushing mills, and a system of wire tramways was invented. Three lines were constructed, two of which are still in use as feeders to the Moanataiari; but the third—the Te Papa—put up at the instance of claim-holders, has fallen into disrepair, there not being sufficient quartz at present to come down to pay the working expenses.

The cost of all these tramways and extensions, including the rolling stock necessary to utilize them, was £34,192 11s. 7d.

It will be seen by reference to accompanying tabulated statements, under the headings therein given, the comparative amount of work done by the different lines of tramway at present being worked on the field. Of these the Moanataiari shows the largest amount of traffic, but from the peculiar form of construction (the greater part of the line being worked by gravitation) it requires a large staff to work it, consequently the working expenses and maintenance are heavy. However, notwithstanding the apparent increase of the traffic, as shown by lessee's return, lessee made application to the Government to take the line off his hands, being unable to pay the rent. This was done on the 1st May, 1872. The late lessee was then put in charge to work the line, on the condition that it and the rolling stock should be kept in repair, the understanding being that this arrangement was to terminate at any time the Government desired either to work the line or to lease it.

As regards the estimated quantities of quartz sent down the Moanataiari Tramway, as shown in return, they must be taken as approximate, with the exception of the time the line was worked by Government (from 26th June, 1869, to 25th March, 1870), they being compiled from newspaper reports up to 15th May, 1872.

Judging from these newspaper reports of the quantities of quartz crushed from month to month, I expected the tramway returns would show a great decrease in the quantities brought down; but the opposite seems to be the case on the Moanataiari, Tararu, and Waiotahi Tramways, as shown by returns made by the various lessees.

The other tramways show a decrease; the Hape may, however, be expected to keep up its returns, as a new stone quarry has been opened there, the demand for stone from it being gradually on the increase.

The opening of the main tunnel through the Kuranui Hill to the Moanataiari Company's ground has had the effect of causing many claim and lease owners to shepherd their ground, the intention being, I believe, to avail themselves of this means of sending down quartz to the beach, and open up the claims at a very low level. I am informed it is the intention of the Moanataiari Company to bring up their mining timber by this underground tramway, which will cut off from the Moanataiari Tramway a large amount of up-paying traffic, quartz and mining timber being the down-paying. I notice that latterly there is less timber brought down for mining purposes than formerly, the competition at the beach reducing the down-payment for carriage on the line from an average of £50 per quarter in 1870 and 1871 to £32 per quarter in 1872.

The Tararu and Waiotahi Tramways were opened for traffic about the 1st October, 1869. They were worked by Government—the Tararu till 6th July, 1870, and the Waiotahi to 24th April 1871, when they were leased.

The traffic returns whilst worked by Government and by lease are given in the schedule appended.

Since the Tararu Line was leased it has been extended about half a mile up Tinker's Gully. The last 30 chains of this extension were made at the instance of the owners of the "Highland Chief" and "Felix" leaseholds. On completion of the extension these leases sent down a few tons of quartz; but the yield per ton being so small, further work has been suspended.

The Tararu Tramways leased to William Souter, Esq., are successfully worked, the lessee having constructed a branch line, about half a mile long, to the paying claims in Fiery Creek; otherwise I believe this line would be in the same position as the Karaka—simply for bringing down timber for mining and firewood.

The Waiotahi Tramway is also well worked by the lessee; and if extended to the beach, it would much increase its usefulness, by facilitating the supply of coals to the batteries up the creek.

The Hape Creek Tramway was first worked by the Government and subsequently leased. This tramway has done but little in the way of bringing down quartz, but is now fairly employed in bringing down firewood, and stone for building purposes.

The Te Papa Wire Tramway, a line constructed for the convenience of miners in the locality of Te Papa Creek, has fallen into disrepair; there being so little quartz to be brought down, it will not pay to keep hands on to work it. The principal mine from which quartz was sent down having amalgamated with the Una Company, all quartz from it is brought down by the Una Tramway to the mill.

The Karaka Tramway is not much used, except for the purpose of bringing down firewood, but may be made useful when a stone quarry is opened up, there being excellent stone in the locality.

It will be seen from the returns, that while the Government held the tramways, only in one case (the Moanataiari) did the amount of traffic cover the sum paid for working expenses and repairs, while the receipts by Government under the leasing system are considerably in excess of the expenditure, notwithstanding that large sums of the lessees' rent have been remitted. I may, however, mention that the tramways, while wrought by Government, were kept in thorough working order and repair, which cannot be said of them under the leasing system.

There was always a difficulty of the Government collecting the moneys due for traffic, most of the companies and claims who brought down quartz seeming to think that they had no right to pay the Government; this difficulty, I believe, not being experienced to anything like the same degree by the lessees.

Taking altogether the experience gained while the tramways were wrought by Government, I cannot recommend that they again should be worked by it.

To work the lines by Government, there will be required a general manager, five depôt clerks,