11. That, as regards the country along the central route, for a distance of fifty miles northwards from Marton your Committee believe that the extent of good land is sufficient to justify its being opened up by a line of railway, whether such line form part of a Main Trunk Railway

12. Your Committee are also of opinion that the completion of an additional eight miles of railway beyond Rangatira, which are now partly constructed, would be quite sufficient to open up for settlement most of the good land in the Rangitikei watershed, and would be as large an extension as the prospective traffic is likely to justify for some years to come.

13. Your Committee find that since 1884 the railway works have been extended from Te Awamutu southwards for a distance of about forty-eight miles, at a cost of £266,398, through land of inferior quality, which is still in the possession of the Natives, and upon which little or no settlement has taken place; and they desire to express their strong disapproval of any line or lines of railway being pushed forward through Native lands whilst the negotiations for the purchase thereof are still pending.

14. The same objection exists as to the construction of any considerable further portion of the

railway at the Marton end until the purchase of the Awarua Block shall be completed.

15. It also appears to your Committee that the expenditure which would be necessary to reduce the heavy grades upon the open line of railway between Marton and Eltham (on the New Plymouth line) to a maximum of 1 in 50 would be so heavy that, if added to the cost of a railway along the Ngaire route, it would raise the joint expenditure to within £160,000 of the sum said to be sufficient to complete the railway by the central route.

16. On the other hand, the cost of constructing 103 miles of railway by the Ngaire route to connect the railway systems north and south is now ascertained within very narrow limits of error, whilst the stated cost of a large portion along the central route is not based upon any reliable data, but is calculated upon a system of general averages, which, as in former instances, may turn out to

be extremely erroneous.

17. That, in point of suitability of soil and climate for settlement purposes, the Ngaire route has certain advantages over the central route; whilst the latter, considered from the standpoint of a through line only, would hold the first position if we disregard cost of construction, quality of land, and costliness of maintenance.

18. That either line would require the support of a large passenger traffic, or the Government

should be prepared to meet a large annual loss for maintenance and working-expenses.

19. The distance from Auckland to Wellington by the Ngaire route is 480 miles, and by the central 432 miles, giving an advantage to the latter in point of time of not less than two hours.

20. No consideration has been given to the route by way of Waitara to the Upper Mokau, or to that from Hastings by way of Taupo, on the ground that both these routes have been previously condemned, either on the score of excessive cost, or of the poverty of the country to be traversed.

21. At the same time attention is directed to an easy route said to exist between Urenui and Taumaranui, which, if correct, would have much to commend it, as passing through a large extent of Crown lands, and connecting the New Plymouth District with the Main Trunk Railway, upon whatever line it may ultimately be located.

Upon a careful review of all the features of an extremely difficult question, your Committee recommend.

1. That the railway now in progress be extended to a point about twenty-six miles north of Marton so soon as the negotiations shall be completed for the purchase of the 100,000 acres now under offer in the Awarua Block.

2. That a dray-road be put in hand to connect the Taranaki District with the Upper Mokau.

3. That further exploration and survey are necessary before the location of the North Island

Trunk Railway can be determined.

4. That in the meantime no railway extension (except the eight miles above indicated) should be undertaken either at the northern or southern extremities of the two suggested routes until the land is first of all acquired from the Natives, and so far opened up by exploration and roads that judgment upon this question may be given with such a degree of certainty and force that it will be accepted as final.

EDWARD G. WRIGHT, Chairman.