

We held meetings at Hawera, Manaia, Kapuni, Auroa, Opunake, Kaponga, Eltham, Stratford, New Plymouth, and Okato, and examined 113 witnesses who appeared voluntarily before the Commission, and whose local knowledge and experience appreciably facilitated our labours. Without exception we found the settlers and commercial men ready and willing to assist us in every way possible in carrying out the duties intrusted to us.

Our principal function was to ascertain by investigation the best means of providing railway facilities to serve the district mentioned in our Commission, and from our own observations, and after careful consideration of the evidence tendered at the different sittings mentioned above, we are unanimously of opinion that a line of railway should be constructed from Moturoa to a point near Te Roti Station on the main line, following the route to the westward and southward of Mount Egmont indicated on the accompanying map, with a branch line from Kapuni along the existing road-line to a point near Kaponga, which would permit of future extension to Stratford and Manaia. We have arrived at this conclusion after taking into consideration the volume of traffic which is likely to arise from the development, probable subdivision, higher cultivation, and consequent increase in the productivity of the land along and adjacent to the route of the suggested line.

In considering the commercial prospects of a railway through this district we have been influenced somewhat by the important works now in progress and approaching completion for the improvement of the shipping facilities at New Plymouth. When the works in hand are completed, there seems little room for doubt that this port will be available for use by ocean liners, and the authorities intrusted with the control of the harbour expect to be able in the near future to send consignments of dairy and other produce from New Plymouth direct to the world's markets without the transshipment which is usual at present. The harbour authorities satisfied us that in a comparatively short time the port would be able to accommodate ocean liners suitable for carrying the whole of the produce for export offering from Taranaki and the interior country for which New Plymouth is the natural outlet.

The developments in progress also warrant the assumption that New Plymouth will in the near future be the port through which the greater portion of the British and foreign imports for the Taranaki Province will reach the Dominion. We have therefore recommended the location of the proposed railway to suit the collection of produce for export and the convenient distribution of imports, although the route may not in all parts fit in with the traffic routes which have developed up to the present. There is already a considerable import trade through New Plymouth from other parts of the Dominion.

With regard to export of dairy-produce, it is essential that it shall arrive regularly at the market. To secure this, the exports are confined almost entirely to the mail-steamers, which, leaving at fortnightly intervals and being under contract, can be relied on for the necessary regularity; but as it is found inconvenient and unprofitable for these vessels to call at other than main ports for lots of dairy-produce which are comparatively small in mass, the practice has arisen of forwarding this class of produce to Wellington for shipment, from Auckland, *via* Onehunga, New Plymouth, Patea, and Wanganui, several steamers being almost exclusively engaged in the coastal conveyance. The shipping companies appear to encourage this system by arranging to pay the coastal freight and charging the same rate of freight from Wellington and each of the ports mentioned to England, &c.

Several of the witnesses have expressed the opinion, which is shared by your Commissioners, that when the ocean liners visit New Plymouth, the exports of the Taranaki District will concentrate at New Plymouth and provide bulk sufficient to warrant the mail-boats calling there. In this case it is likely that New Plymouth would become their second last port of call.

Under these circumstances, on the expiration of present engagements, the shipping companies will require some modification in the present terms as regards the payment by them of the coastal freight. This will induce the shipment of dairy-produce at New Plymouth instead of Wellington.