

The lengths of the lines which we recommend are approximately as follows :—

	Miles.
1. Main line, Moturoa to Te Roti	55
2. Branch line, Kapuni to Kaponga	5
3. Extension, Kaponga to Stratford	9
4. Extension, Kapuni to Manaia	3½
Total	72½

The cost of construction of these lines sufficient to carry the rolling-stock in use on the railway between Wanganui and New Plymouth will be approximately as follows :—

	£
1. Moturoa to Okato, 11 miles at £9,000 per mile ..	99,000
Okato to Te Roti, 44 miles at £7,000 per mile ..	308,000
2. Kapuni to Kaponga, 5 miles at £5,000 per mile ..	25,000
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	£432,000
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3. Kaponga to Stratford, 9 miles at £10,000 ..	90,000
4. Kapuni to Manaia, 3½ miles at £5,000 ..	17,500

We recommend that construction of the line should be commenced simultaneously at Te Roti and Moturoa, and that when Kapuni is reached at the southern end the construction of the five miles of branch line to Kaponga should be put in hand. The extension to Stratford might await the completion of the remainder of the suggested line. The line could be brought into profitable use as soon as ten miles from Te Roti with the Kaponga branch, or fifteen miles from Moturoa, are completed.

We have gone very carefully into the matter of the present and prospective volume of traffic which will be available for transport over the railway, and estimate that the earnings of the suggested line will amount to at least £600 per mile per annum, and that the working-expenses will not exceed £450 per mile per annum. As the country is further developed there will be every prospect of a considerable increase in the railway revenue.

Owing to the small bulk and weight of the dairy-products compared with their value, their carriage will not give as great a return to a railway as many other articles of production. This feature was taken into consideration when estimating the revenue.

The construction of the railway will have the effect of relieving the local bodies, and, indirectly, the settlers and taxpayers, of a very heavy annual expenditure on the maintenance of about ninety miles of main roads, amounting at present to at least £100 per mile per annum, a recurring charge of £9,000 per annum.

The existing toll-gates on most of the main roads throughout the district served will be abolished when the problem of road maintenance is simplified by the construction of the railway. The rates in many parts average from 4s. to 6s. per acre. This high rate, which amounts to a considerable rent, is required solely for the maintenance of the roads. The construction of a railway will so relieve the traffic as to materially reduce the wear-and-tear, the money so saved will then be available for the development of the farms instead of being wasted as at present, and being a constant drain on the wealth of the community.

It appears that, owing to the high quality of the land, and the favourable climate favouring specializing in dairy-farming, the size of the average farm is decreasing, cultivation is increasing, and more attention is being paid to the improvement of the cows, and the manufacture of the products is being conducted with increasing skill and economy. All these factors tend to increase the population, products, and imports, and in consequence transport traffic must correspondingly grow.