It was demonstrated to the Commission by many of the farmers and commercial representatives that the productive power of the land would be appreciably enhanced by the general and systematic use of artificial manures, which would render possible more intense cultivation and the subdivision of the dairying country into smaller areas than at present will be the result. The present high transport charges from the port or the railway to the farm limit the quantity of manure which the average farmer can afford to use, but when the railway is available this item alone will constitute no small volume of profitable freight which would be permanent in nature.

The construction of the branch to Kaponga will permit of the large output of dairy-produce from that locality being carried by rail to either Patea or New Plymouth at rates considerably less than those now being paid for road and railway haulage, the saving being about 7s. per ton on consignments to Patea or New Plymouth. A similar saving on the even greater inward freight would result.

There is a deposit of gravel of considerable extent close to Kaponga which can be tapped by the branch and utilized for ballasting a large portion of the suggested line. Another factor in favour of the branch is the tourist traffic to the Mountain House at Dawson's Falls, on the slopes of Mount Egmont, which already attracts over three thousand people per annum, and with transport by railway available to Kaponga the number of visitors will be bound to increase.

A large volume of traffic is at present carried by road between Kaupokonui, Manaia, and Hawera, a distance of nine to twelve miles, for which the transport charge is 7s. 6d. to 10s. per ton. This traffic could be carted about three miles to the suggested railway, and the saving in freight to Patea, its present port, would be about 2s. 6d. per ton, after allowing a reasonable price for the cartage. The saving on maintenance of the Main South Road, which at present bears most of this traffic. would also be a relief to the local bodies concerned.

The question of road haulage along the Main South Road was brought prominently before the Commission at Hawera and Manaia by witnesses, who endeavoured to show that it was preferable to convey produce and supplies by wagon all the way between Manaia and Hawera as against carting it about three miles to the nearest siding on the suggested railway. We have gone carefully into this contention, and find that on the Main South Road between Manaia and Hawera the total rises amount to 489 ft., and total falls 387 ft. The total rise from Manaia to the point where the line crosses the Manaia Road is only 222 ft. The steepest grade between Manaia and Hawera is 1 in 15, which is against the traffic in both directions. The steepest grade between Manaia and the suggested railway is only 1 in 44, and is against the outward traffic only. The contention of some of the witnesses that the uphill haulage to the new line would be a greater drawback than the transport by road from Manaia to Hawera is therefore disproved by actual measurements.

The advisability of the extension from Kaponga to Stratford will be more apparent later when the line now in progress from Stratford to the Main Trunk Railway is further advanced. In the near future, when the supplies of firewood are exhausted, the factories and settlers will require large supplies of coal, which will doubtless come through Stratford from the coalfields at Tangarakau, which will shortly be reached by the line now being constructed beyond Whangamomona.

Your Commissioners were directed to inquire as to what tramways, if any, it would be advisable to construct to serve the country under consideration. We have fully considered this question, and have come to the conclusion that the volume of traffic, present and prospective, to be handled is in excess of that which could be economically dealt with by tramways. If the railway is constructed on the route recommended, the heavy traffic on the roads in the district will be reduced to an extent which will afford much-needed relief to the local bodies responsible for their maintenance, and with this reduction of the road traffic it is not likely that there will be any need for tramways. We do not consider that the General Government should undertake the construction of any tramways in the country under reference. Dairy-produce is detrimentally affected by repeated handling, and it is desirable to convey it by railway to the port of shipment with as little change from one conveyance to another as is possible.