D.—4.

light railway would provide for, and unless it can be held that the use of light railways is to be prohibited there seems no room for objecting to the Sandon Tramway being connected with the station at Greatford or Marton in the way

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and under the conditions we suggest hereafter.

We are of opinion the tramway is not suitable for any exchange of traffic between the railway and the tramway such as would be involved in the running of railway-trucks over the tram-line. The rails are for the most part light 40 lb. rails, a portion of them being 28 lb. only. The construction of the line is such also that it is unsuitable for carrying the ordinary railway-trucks. There can, therefore, in our opinion, be no closer connection than we have pointed out, and with such a connection it does not appear to us that there would be any risk of serious competition with the railway. We think, however, to ensure that the privileges of carrying goods that the railway has should not be encroached upon, that the goods delivered to the tramway at the siding, wherever connected, should only be goods for use in the Manawatu or Rangitikei Counties, and that no goods directed to any other county or place should be delivered to the tramway at such station. It should also be provided that no goods should be received from the tramway at such station save those that were produced in the Manawatu or Rangitikei Counties. With such safeguards the Railway Department could not be said to be subjected to unfair treatment or its monopoly of the right of carriage by rail encroached upon.

We recognize that the Railway Department is a business concern and a monopoly, and that it would not be in the interests of the State to allow rival lines to be established to injure its traffic, and hence we have suggested the restriction as to junction already referred to. At the same time it is in the public interest that all producers should be helped and not hindered in sending their goods to market, and if the counties of Manawatu and Rangitikei are willing to construct and maintain a tramway instead of a main road so as to help the settlers in these counties, nothing should be done to discourage such exertions. We feel bound, however, to state that, considering the advances being made in motor carriage, it may be a question whether such a connection would be a payable undertaking or commercially of much value to the counties. Indeed, we incline to the opinion that a tramway would be unable to compete

with the present railway carriage.

IV and V. It was admitted that, considering the lines at present authorized in the Dominion and not yet constructed, and the financial outlook, the time is not opportune for discussing the construction of a main line either between Levin and Foxton or between Levin and Marton. We are of opinion the traffic does not demand such a connection, and it would be at present, and perhaps for many years to come, a waste of resources of the Dominion to undertake it. If it is hereafter of importance to shorten the line between Wellington and Auckland, then there are other districts in which the shortening might be carried out to more advantage, and which would at the same time open up fresh country.

All which we respectfully submit.

We have the honour to be,
Your Excellency's obedient servants,
ROBERT STOUT.

W. M. HANNAY. CYRUS J. R. WILLIAMS, M.Inst.C.E.