

The foregoing calculation is based on the best view that could be taken of the working of the line. It assumes—

- (1) That, as to through traffic, the line will be a main trunk line :
- (2) That the competition in that area will not be greater than the average competition experienced over the South Island main lines :
- (3) That the country served by the line is up to the stage of development of the average of the country served by the South Island main lines.

With regard to (1), it does not appear that the route of the through goods traffic between the North and South Islands would be much altered. The time factor in regard to transport of goods would hardly be to the advantage of the railway, for the reason that, generally speaking, goods from, say, Christchurch to Wellington, could be taken as fast by sea via Lyttelton as by rail from Christchurch to Picton and thence by sea from Picton to Wellington.

A decisive factor that would influence the routeing of the goods traffic is the question of cost. The hauling of goods from Christchurch to Picton and their transport by sea from Picton to Wellington could not possibly compete on a cost basis with direct shipment between Lyttelton and Wellington. The conclusion reached is that as regards the principal goods traffic between the North and South Islands the proposed railway would not secure the business. It has been urged that the diversion of the through goods traffic to the proposed railway would be assured by the establishment of a train-ferry for goods between the two Islands. The Board cannot agree with this contention. A train-ferry service could be established only at great capital cost for vessels and terminal facilities. Even with a train-ferry it does not appear to the Board that costs would be in favour of the rail route.

One other aspect of the goods business seems to call for further comment in view of the fact that much point was given thereto in the representations that were made to the Board. It was contended that there would be a substantial development in live-stock traffic by reason of the access that the line will give to the Addington market. The Board's conclusion is that possibilities from this point of view as embodied in estimates furnished by those in favour of the line require to be somewhat discounted. The reason advanced for the assumption that there would be a heavy live-stock traffic over the line was that the Marlborough sheep-farmers desired to avail themselves of the Canterbury markets. The principal traffic that might be anticipated was stated to be fat lambs for freezing and export, to be passed through the freezing-works; sheep for local butchers that would be passed through the Addington Saleyards; and breeding-ewes. The demand for stock for local butchers would not be increased by the opening-up of another source of supply, as would be afforded by the completion of the line; it would merely mean that a greater number of Marlborough sheep might be sent to Addington, but it is not at all likely that the traffic would be heavy. As regards breeding-ewes, it is possible there might be a certain increase in this class of business, though the Marlborough farmers would have to compete with the present sources of supply, and there is no ground for assuming that the construction of the railway would alter the position to such a substantial extent as would lead to any great development of this trade. The next type of traffic is the fat-lamb business, which was much emphasized. If it could be established that the completion of the railway would cause a substantial increase in this type of traffic, the Board would consider it a very relevant factor not only on account of the benefits that would accrue directly to the railway business, but also from the point of view of the development of the district. The Board is of opinion that the likelihood of substantial increase of the fat-lamb business from that portion of Marlborough now served by rail, as a result of completing the line between Wharanui and Parnassus, is not so great as has been suggested. In this connection a relevant factor is that freezing-works already exist at Picton, and this must always tend to limit the quantity of fat lambs that would be sent over the line to freezing-works in Canterbury. As to that portion of the country that lies between the two present terminals, the Board considers that by reason of the lack of road access to the railway, and the nature of the country, the fat-lamb traffic that would be developed in that area by the construction of the railway would be relatively small.