The Board also considered whether completion of the line might not be justified from the present terminus at Parnassus northward as far as the Conway River, but came to a decision similar to that above mentioned regarding construction southward to the Clarence River.

The terminus heretofore regarded as fixed for this line is Picton. The open portion of the northern section of the line extends south from Picton 56 miles to Picton is the deep-sea port for the Town of Blenheim and for the Provincial District of Marlborough. It is on a naturally sheltered waterway well adapted for deep-sea vessels. There is a railway wharf at Picton with facilities sufficient for all present and reasonably anticipated traffic. There is a freezingworks at Picton, for which the port, with its facilities, provides a means of direct shipment to overseas markets. There is an excellent passenger-steamer service from Picton to Wellington, a distance of 52 sea miles. The voyage normally occupies three and a half hours. The Board has already expressed its view that the bulk of the present inter-Island passenger traffic would not be diverted from the Lyttelton-Wellington ferry service. Without question, in the judgment of the Board, Picton is the most practicable terminal port. The proposals that have recently been made regarding the development of a port at Clifford Bay, which was visited by the Board, have been considered from both the working and the economic standpoint. On the map attached hereto is shown-

- (1) Inter-Island connections between Wellington in the North Island, and Picton, Clifford Bay, and Lyttelton in the South Island.
- (2) The entire route of the railway from Picton to Christchurch, with the respective sections shown, as follow:—
 - (a) Picton to Wharanui (open line):
 - (b) Wharanui to Clarence River (under construction):
 - (c) Clarence River to Conway River (under construction):
 - (d) Conway River to Parnassus (under construction):
 - (e) Parnassus to Christchurch (open line).

Clifford Bay is situated 4 miles from the station of Hauwai on the open section of railway-line, 42 miles from Picton. The country surrounding and for some distance inland formerly comprised large sheep-stations, a considerable area of which is now more closely settled. Within reasonable distance there are the settlements of Ward and Seddon. These two settlements have been successful, and the land there for the most part is good. More distant still are the fine areas of the rich grazing and cropping land of Marlborough. The further development of Marlborough is not, in the judgment of the Board, primarily dependent upon the railway or its extension; neither is it dependent to any degree upon a further port facility in competition with Picton, such as Clifford Bay would be if developed. Further, additional trade interests would not to any extent be developed either in the Marlborough Province, the South Island, or the Dominion generally by the construction of another port at Clifford Bay. This Bay is part of a large sweep of open coast with a north-east aspect. Port-construction works could be carried out only at great cost and with extremely doubtful results. The Board has had the benefit of information obtained from the Engineer-in-Chief of the Public Works Department, in which he states:—

"If the Clifford Bay Harbour scheme should be adopted it would not be safe to allow less than an additional £1,000,000. The surveys of this work have not yet been completed, and consequently the cost cannot yet be definitely stated, but sufficient information is available to enable me to give the above figure as a reasonable approximation."

The wastage on duplication of port works has in the past been considerable, and a further duplication of the shipping and port facilities on the New Zealand coast at an enormous cost in conjunction with or apart from the railway system is, in the opinion of the Board, economically unsound. With New Zealand's relatively small population and necessarily restricted volume of trade, a duplication of facilities such as Clifford Bay would further add to the already heavy indebtedness of the taxpayer without commensurate result.