No. 11.

(No. 62.)

MY LORD,— Government House, Wellington, 2nd August, 1907.

I have the honour to forward herewith, for transmission to the Lords Commissioners of the Admiralty, a copy of a report by Mr. E. I. Lord of Greymouth, relative to the proposed harbour at Point Elizabeth and embodying information which my Prime Minister was asked to obtain for Mr. W. Graham Greene, Secretary to the First Lord of the Admiralty.

I have, &c.,
PLUNKET.

The Earl of Elgin,
Secretary of State for the Colonies.

Enclosure.

Memorandum for His Excellency the Governor. Wellington, 1st August, 1907.

THE Prime Minister presents his compliments to His Excellency, and forwards herewith, for transmission to the Lords Commissioners of the Admiralty, a report by Mr. Edward Iveagh Lord, C.E., of Greymouth, relative to the proposed harbour at Point Elizabeth, and embodying information which Sir Joseph Ward was asked to obtain for Mr. W. Graham Greene, Secretary to Lord Tweedmouth, First Lord of the Admiralty.

J. G. WARD.

Greymouth, 9th July, 1907.

Memorandum *re* proposed Harbour at Point Elizabeth.

THE Westland-Grey Coalfield, on the western boundary of which the proposed harbour at Point Elizabeth is situated, has a coal-bearing area of about 40,000 acres, and the coal lying *in situ* is estimated to exceed 150,000,000 tons; therefore, it would take 150 years to work out the field at the rate of 1,000,000 tons per year.

Taking the present value of coal f.o.b. Greymouth at 12s. per ton, the cost of winning and mine expense at 7s. per ton, royalty 6d. per ton, and carriage 2s. per ton, we get 2s. 6d. per ton as the value of the coal; and 150,000,000 tons at 2s. 6d. amounts to £18,750,000.

The coal-seams outcrop right down to high-water mark of the proposed harbour, and the State coal-mine, known as Point Elizabeth Colliery, is within two miles of it. The coal outcrops vary from 2 ft. to 20 ft. in thickness, and they contain both bituminous and plint coal of very high quality.

The whole of the Grey district is for the most part covered with dense forests of valuable timber, and if the harbour were constructed, a timber export trade would be carried on, which is roughly estimated at not less than 40,000,000 ft. per annum, for twenty years, or 800,000,000 ft., having a money value of £2,400,000.

Other natural products from the coal-area above mentioned, including gold, silver, iron, and other metals, may be set down at £850,000, making a total undeveloped wealth of £22,000,000.

Is not this sum good enough security for the expenditure of, say, £1,000,000 in harbour-construction?

With regard to the quality of the coal for steaming purposes, the Paparoa Coal-mining Company (Limited) have had a Government analysis made of their seams, and Nos. 1 and 2 are of the anthracite class, having 80 per cent. of fixed carbon and 15 per cent. of hydrocarbon. They are practically smokeless, and should be very valuable for use by the Royal Navy.

There is another feature worthy of note in connection with this harbour. When the Midland Railway is completed to Canterbury the sea-voyage to the Australian Commonwealth would be materially shortened by making Point Elizabeth the direct port of departure from New Zealand, whilst the springing-up of a large commercial centre and dockyard on the West Coast would tend not a little to benefit the Midland Railway itself.

If a harbour can be constructed in this place of sufficient depth and capacity to form a coaling-station for the Australian Squadron, and a dockyard for the same, no time should be lost in bringing it about.

The survey required from the Admiralty should be of sufficient detail to obtain reliable data as to how far the proposed harbour is capable of development from a naval and commercial point of view.

Point Elizabeth is about seven miles north of the Grey River. The point itself is a limestone promontory, about 130 ft. above sea-level, jutting out into the Tasman Sea, and from its end a chain of detached rocks trend out northward for nearly two miles.

If a breakwater were formed by filling up between these rocks, and another breakwater constructed from the Nine-mile Bluff to meet it, an enclosure would be made containing about 1,000 acres of water, the depth at the rocks being from 7 to 8 fathoms, and shoaling gradually shoreward.

In making the survey and report the attention of the Admiralty officers should be drawn to the following points, viz.:—

(1.) Fixing the relative positions of Point Elizabeth, the Nine-mile Bluff, and the chain of rocks.

(2.) Taking soundings of the depths of the ocean outside the line of rocks, between them, and in the proposed enclosure.