

1913.

NEW ZEALAND.

WESTPORT HARBOUR BOARD

(REPORT OF COMMISSION APPOINTED TO INQUIRE INTO THE ADMINISTRATION OF THE).

Laid on the Table by Command of His Excellency.

To the Hon. the MINISTER OF MARINE, Wellington.

SIR,—

Wellington, 10th November, 1913.

I have the honour, by direction of the Commission, to hand to you, for submission to His Excellency the Governor, the Commission entrusted to us on the 2nd day of September, 1913, to inquire into the administration of the Westport Harbour Board under a nominated Board, together with our report thereon.

We regret that, owing to the dislocation of business caused through the strike, we have not been able to hand in with the report the notes of evidence taken by us. These, together with an appendix and exhibits, will be handed in in the course of a few days.

I have, &c.,

J. S. EVANS,

Chairman, Westport Harbour Board Commission.

COMMISSION.

COMMISSION TO INQUIRE INTO AND REPORT UPON THE ADMINISTRATION OF THE AFFAIRS OF THE WESTPORT HARBOUR BOARD.

LIVERPOOL, Governor.

To all to whom these presents shall come, and to James Sim Evans, Esquire, of Nelson, Stipendiary Magistrate; William Ferguson, Esquire, of Wellington, Civil Engineer; and Gerald FitzGerald, Esquire, of Wellington, Civil Engineer: Greeting.

WHEREAS it is expedient that inquiry should be made into the administration of the affairs of the Westport Harbour Board:

Now, therefore, I, Arthur William de Brito Savile, Earl of Liverpool, the Governor of the Dominion of New Zealand, in exercise of the powers conferred by the Commissions of Inquiry Act, 1908, and of all other powers and authorities enabling me in this behalf, and acting by and with the advice and consent of the Executive Council of the said Dominion, do hereby constitute and appoint you, the said

JAMES SIM EVANS,
WILLIAM FERGUSON, and
GERALD FITZGERALD,

to be a Commission to inquire into and report upon the administration of the affairs of the Westport Harbour Board under a nominated Board, with special reference to the following points:—

- (a.) Has the administration in the past been satisfactory?
- (b.) Have the works been carried out with economy?
- (c.) Has the Board in the past taken reasonable care that the land reclaimed at the Board's expense should not be alienated from the Board's control?
- (d.) Under the existing method of levying wharfage rates or dues, is the burden of responsibility of maintaining the port borne equitably by those concerned?

- (e.) The system which has been adopted in connection with keeping accounts of the detailed cost of work of construction and of maintenance :
- (f.) The method of keeping the trading accounts of the Board :
- (g.) The suitability or otherwise of the present facilities for loading coal :
- (h.) Is the construction of the floating basin or permanent slipway necessary, and, if so, is it an urgent work ?
- (i.) As to whether the conditions of the endowment provided under subsection two of section seven of the Westport Harbour Board Act, 1884, should be revised :

And generally to inquire into and report upon such other matters as may come under your notice in the course of your inquiries and which you consider necessary to investigate in the public interest.

And with the like advice and consent I do further appoint you, the said

JAMES SIM EVANS,

to be the Chairman of the said Commission.

And for the better enabling you, the said Commission, to carry these presents into effect you are hereby authorized and empowered to make and conduct any inquiry under these presents at such times and places in the said Dominion as you deem expedient, with power to adjourn from time to time and from place to place as you think fit, and to call before you and examine on oath or otherwise, as may be allowed by law, such person or persons as you think capable of affording you information in the premises ; and you are also hereby empowered to call for and examine all such books, papers, writings, documents, or records as you deem likely to afford you the fullest information on the subject-matter of the inquiry hereby directed to be made, and to inquire of and concerning the premises by all lawful means whatsoever.

And, using all diligence, you are required to report to me, under your hands and seals, not later than the thirtieth day of September, one thousand nine hundred and thirteen, your opinion as to the aforesaid matters.

And it is hereby declared that these presents shall continue in full force and virtue although the inquiry is not regularly continued from time to time or from place to place by adjournment.

And, lastly, it is hereby further declared that these presents are issued under and subject to the provisions of the Commissions of Inquiry Act, 1908.

Given under the hand of His Excellency the Right Honourable Arthur William de Brito Savile, Earl of Liverpool, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Member of the Royal Victorian Order, Governor and Commander-in-Chief in and over His Majesty's Dominion of New Zealand and its Dependencies ; and issued under the seal of the said Dominion, at the Government House, at Wellington, this second day of September, in the year of our Lord one thousand nine hundred and thirteen.

F. M. B. FISHER,

Minister of Marine.

Approved in Council.

J. F. ANDREWS,

Clerk of the Executive Council.

WESTPORT HARBOUR BOARD COMMISSION: EXTENDING PERIOD WITHIN WHICH
COMMISSIONERS SHALL REPORT.

LIVERPOOL, Governor.

To all to whom these presents shall come, and to James Sim Evans, Esquire, of Nelson, Stipendiary Magistrate ; William Ferguson, Esquire, of Wellington, Civil Engineer ; and Gerald FitzGerald, Esquire, of Wellington, Civil Engineer.

WHEREAS by Warrant dated the second day of September, one thousand nine hundred and thirteen, you the said James Sim Evans, William Ferguson, and Gerald FitzGerald were appointed to be a Commission under the Commissions of Inquiry

Act, 1908, to inquire into and report upon the administration of the affairs of the Westport Harbour Board under a nominated Board: And whereas by the said Warrant you were required to report to me under your hands and seals your opinion as to the aforesaid matters not later than the thirtieth day of September, one thousand nine hundred and thirteen: And whereas it is expedient that the said period should be extended as hereinafter provided:

Now, therefore, I, Arthur William de Brito Savile, Earl of Liverpool, the Governor of the Dominion of New Zealand, in pursuance of the powers vested in me by the said Act, and acting by and with the advice and consent of the Executive Council of the said Dominion, do hereby extend the period within which you shall report to me, as by the said Commission provided, to the fifteenth day of October, one thousand nine hundred and thirteen.

And in further pursuance of the powers vested in me by the said Act, and with the like advice and consent, I do hereby confirm the said Commission except as altered by these presents.

Given under the hand of His Excellency the Right Honourable Arthur William de Brito Savile, Earl of Liverpool, Knight Commander of the most distinguished Order of Saint Michael and Saint George, Member of the Royal Victorian Order, Governor and Commander-in-Chief in and over His Majesty's Dominion of New Zealand and its Dependencies; and issued under the Seal of the said Dominion, at the Government House, at Wellington, this twenty-sixth day of September, in the year of our Lord one thousand nine hundred and thirteen.

F. M. B. FISHER,
Minister of Marine.

Approved in Council,
J. F. ANDREWS,
Clerk of the Executive Council.

WESTPORT HARBOUR BOARD COMMISSION: FUTHER EXTENDING PERIOD WITHIN WHICH COMMISSIONERS SHALL REPORT.

LIVERPOOL, Governor.

To all to whom these presents shall come, and to James Sim Evans, Esquire, of Nelson, Stipendiary Magistrate; William Ferguson, Esquire, of Wellington, Civil Engineer; and Gerald FitzGerald, Esquire, of Wellington, Civil Engineer.

WHEREAS by Warrant dated the second day of September, one thousand nine hundred and thirteen, you the said James Sim Evans, William Ferguson, and Gerald FitzGerald were appointed to be a Commission under the Commissions of Inquiry Act, 1908, to inquire into and report upon the administration of the affairs of the Westport Harbour Board under a nominated Board: And whereas by a Warrant dated the twenty-sixth day of September, one thousand nine hundred and thirteen, the period within which you were required to report to me was extended to the fifteenth day of October, one thousand nine hundred and thirteen: And whereas it is expedient that the said period should be further extended as hereinafter provided:

Now, therefore, I, Arthur William de Brito Savile, Earl of Liverpool, the Governor of the Dominion of New Zealand, in pursuance of the powers vested in me by the said Act, and acting by and with the advice and consent of the Executive Council of the said Dominion, do hereby further extend the period within which you shall report to me, as by the said Commission provided, to the tenth day of November, one thousand nine hundred and thirteen.

And in further pursuance of the powers vested in me by the said Act, and with the like advice and consent, I do hereby confirm the said Commission except as altered by these presents.

Given under the hand of His Excellency the Right Honourable Arthur William de Brito Savile, Earl of Liverpool, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Member of the Royal Victorian Order, Governor and Commander-in-Chief in and over His Majesty's Dominion of New Zealand and its Dependencies; and issued under the Seal of the said Dominion, at the Government House, at Wellington, this fourteenth day of October, in the year of our Lord one thousand nine hundred and thirteen.

F. M. B. FISHER,
Minister of Marine.

Approved in Council,
J. F. ANDREWS,
Clerk of the Executive Council.

REPORT.

To His Excellency the Right Honourable Arthur William de Brito Savile, Earl of Liverpool, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Member of the Royal Victorian Order, Governor and Commander-in-Chief in and over His Majesty's Dominion of New Zealand and its Dependencies:

MAY IT PLEASE YOUR EXCELLENCY,—

On the 2nd day of September, 1913, Your Excellency appointed us a Commission to inquire into and report upon the administration of affairs of the Westport Harbour Board under a nominated Board, with special reference to the following points:—

- (a.) Has the administration in the past been satisfactory?
- (b.) Have the works been carried out with economy?
- (c.) Has the Board in the past taken reasonable care that the land reclaimed at the Board's expense should not be alienated from the Board's control?
- (d.) Under the existing method of levying wharfage rates or dues, is the burden of responsibility of maintaining the port borne equitably by those concerned?
- (e.) The system which has been adopted in connection with keeping the accounts of the detailed cost of work of construction and of maintenance:
- (f.) The method of keeping the trading accounts of the Board:
- (g.) The suitability or otherwise of the present facilities for loading coal:
- (h.) Is the construction of the floating basin or permanent slipway necessary, and, if so, is it an urgent work?
- (i.) As to whether the conditions of the endowment provided under subsection (2) of section 7 of the Westport Harbour Board Act, 1884, should be revised:

And generally to inquire into and report upon such other matters as may come under our notice in the course of our inquiries and which we consider necessary to investigate in the public interest.

Pursuant to the above Commission, we entered upon the said inquiry on the 5th day of September, 1913, at Wellington, and pursued our investigations in Wellington until the 8th September. Thereafter we proceeded to Westport with all diligence. We arrived in Westport on the 9th September, and on the following day met some of the members of the present Harbour Board, and had the books, plans, and other documents in the possession or control of the Board placed at our disposal, and began our examination.

We advertised in the Westport papers our intention to sit and hear evidence.

On the 12th day of September we opened our sittings for the taking of evidence in the Courthouse at Westport.

Mr. A. T. Maginness, of Nelson, solicitor, appeared as solicitor on behalf of the Government Departments interested in the inquiry.

Mr. F. F. Munro, the present Chairman of the Harbour Board, appeared and represented the Harbour Board.

Mr. W. G. McDonald, of Westport, solicitor, appeared on behalf of Mr. Colvin, M.P., an ex-member of the Board, Mr. Greenland, Secretary of the Board, and with Mr. Cottrell, solicitor, for another client, Messrs. Bowater and Bryan, Limited.

Mr. A. A. Wilson at a later stage appeared on behalf of Messrs. Scanlon, Griffiths, and Powell, ex-members of the Board.

Mr. Moloney, solicitor, also appeared on behalf of Mr. O'Callaghan, one of the quarry foremen.

We duly heard the evidence of all witnesses tendered to us, and examined all such books, plans, and other documents as we deemed might afford us information on the matters under inquiry, including Harbour Board files, and Land Board files from Nelson.

We made inspections of the river and of the various harbour-works, and closed our inquiry at Westport on the 26th day of September.

We reopened our inquiry in Wellington on the 3rd day of October, 1913, after public notice of our intention so to do.

We sat to hear the evidence of all such persons as desired to be heard or give evidence before us, and examined officers and some files of the Marine Department, the Audit Department, the Railway Department, and the Treasury.

On the 6th day of October we duly cited the Westport Harbour Board as a party pursuant to section 11 of the Commissions of Inquiry Act, 1908, to show cause why the costs of and incidental to the said inquiry should not be borne and paid by the said Board, on the ground that the said Commission of Inquiry had been set up at the request of the said Board.

Having given to all persons affected by the subject-matters of the said Commission of Inquiry sufficient opportunity to be heard, and having made such investigation and inquiry as we deemed sufficient to enable us to report to Your Excellency, we have now the honour to report as follows :—

In the course of our inquiry we found the following facts to have been proved :—

1. That the Westport Harbour Board was originally created and constituted by and under the Westport Harbour Board Act, 1884.

2. The purpose and object for the creation of the said Board was to form and maintain a harbour on the Buller River at Westport, on a scheme propounded by Sir John Coode in 1880. The said scheme provided, *inter alia*, for—The construction of a breakwater on the western side of the river-mouth, estimated to cost £266,400, including a bridge across the river; and of another breakwater on the eastern side estimated to cost £172,376; and certain dredging estimated to cost £50,000, excluding the cost of the dredging plant; the total estimated cost being £488,776.

The object of the construction of the breakwaters to project beyond the existing coast-line was to compel the river and tidal currents to run over a definite and fixed track of proper proportions, in place of being dissipated by spreading, and thereby to scour a channel. It was desired to secure a depth of 12 ft. at low water spring tides (15 ft. low water neaps) in the entrance, or 23 ft. 4 in. at high water spring tides (20 ft. 6 in. high water neaps), so that vessels drawing up to 14 ft. would be able to navigate the entrance with safety during on-shore gales with a possible scend of 6 ft.

Sir John Coode advised that the breakwaters should be coated on the outer faces with random blocks of concrete weighing 22 tons each, and pointed out that such a form of construction would lead to an economy of material in the hearting of the breakwater. He proposed that for the outer 1,000 ft. the eastern breakwater should be at first carried up to half-tide level so that flood-waters might the more readily escape, leaving the matter of raising the mole to full height to be determined from experience; and that the western breakwater should project seaward 400 ft. beyond the eastern breakwater.

Sir John Coode recommended internal works which he did not include in his estimate, such as half-tide training-banks of rubble so placed as to secure at low water a width of 500 ft. in the channel. He also proposed to supplement the natural scour of the effluent by dredging the permanent bed of the channel to particular gradients extending for one and three-quarter miles above Wakefield Street in order to increase the tidal compartment. This work has not been carried out.

It is evident that Sir John Coode formed his design with a view to its possible extension to meet the growth of trade and of the vessels expected to use the port, and for that reason did not include in his estimate the internal works, leaving them to be executed if necessary as the result of further experience in the development of

trade, and for that reason suggested that if the trade developed to an extent necessary to warrant it, a dock or floating basin might be constructed, and his scheme provided for this in a tidal lagoon on the western side of the river. He gave as his reasons for the selection of this side of the river the cheapness of construction and convenience for future extension of the basin.

3. In order to carry out the scheme, or such part of it as was deemed necessary, the Board was by section 7 of the Act of 1884 endowed with the revenues set out in that section, as under :—

Section 7.—“The Board is hereby endowed with the revenues hereinafter next mentioned, and all such revenues as they accrue from time to time shall be paid to the Board in manner as the Governor shall direct, that is to say,—

- “(1.) All moneys arising from the lease, occupation, or other disposal, and the rents, royalties, fees, and other moneys derivable from the pieces of land known as the Buller Coalfield Reserve and the Westport Colliery Reserve, as the same are respectively described in the Third and Fourth Schedules of the Westland and Nelson Coalfields Administration Act, 1877, less all costs and expenses of collecting the same ;
- “(2.) All profits arising from the Westport-Ngakawau Coalfields Railway remaining after payment of all the cost of maintenance and working-expenses, and any claims for compensation in respect of injuries arising from accidents on the railway ; and
- “(3.) All wharfage and tonnage rates in the Harbour of Westport, including all charges for the use of staiths and other charges on coal brought for shipment in the said harbour, less all costs and expenses of collecting the same :

“Provided that nothing in this section contained shall be deemed to give the Board any authority or control over the railway wharf at Westport, nor authorize the said Board to alter any charges or tolls leviable thereat, but the said wharf shall remain under the administration of the authority having control of the railway to which the said wharf is annexed.”

4. By section 8 of the said Act the Board was authorized to borrow the sum of £500,000 on the security of its endowments, and by section 12 the sum of £500,000, and also the further sum of £145,511 12s. 6d. referred to in section 7 of the Westland and Nelson Coalfields Administration Act, 1877, were further secured by a special coal rate authorized to be struck when the sum of £250,000 had been expended in harbour-improvement works, the proceeds of which were to be applied towards the repayment of the above-mentioned sums with interest thereon.

5. The Harbour Board consisted of seven persons, nominated by the Governor in terms of section 3 of the Westport Harbour Board Act, 1884, to hold office for the term of two years.

6. The first Board constituted under the said Act held its first meeting at Westport on the 15th day of December, 1884 ; and the Board has continued to exist thereunder until the last Wednesday in April, 1913, when the constitution of the Board was altered by the Westport Harbour Amendment Act, 1912.

7. In each successive Board the preponderance of interest of the members centred in or around the Borough of Westport, and for the most part no scheme was followed in nominating persons as members of the Board to represent the coal-mining industry, the shipping trade, or the Railway Department.

8. In the year 1885 the Board borrowed in London the sum of £150,000, being a first instalment of the authorized sum of £500,000, and commenced therewith the construction of harbour-works. This sum of £150,000 was guaranteed by the Government of the colony.

9. At various times between the years 1888 and 1895, moneys were borrowed from Government Departments as required, amounting in all to £350,000, and in the latter year exhausting the existing borrowing-powers of the Board.

10. Approximately on or about the 30th September, 1889, the sum of £250,000 mentioned in section 12 of the Westport Harbour Board Act, 1884, was expended in harbour-works.

11. The Governor did not at that period fix a day and appoint a person in terms of section 12 above mentioned for the purpose of collecting the said special rate mentioned in clause 4 hereof.

12. In the years 1896, 1897, and 1900 respectively the Board was by special Acts authorized to borrow three separate sums of £50,000, each such sum being charged on the security of the endowments of the said Board, and the said sums, making £150,000 in all, were borrowed.

13. The Harbour Board in the year 1885 commenced its operations by making a railway and acquiring quarries, and doing other preliminary works.

14. In the year 1886 the Board commenced to construct the western breakwater, and in 1888 commenced the eastern breakwater. In the year 1890 the training-walls were commenced, and by the 7th May, 1892, both breakwaters had been completed to the points required by Sir John Coode's design.

15. In the year 1887 complaints of extravagance had been made against the Board (see Chairman's annual report for 1887), and Mr. James Colvin, the then Chairman, reported that he had effected considerable saving in working-expenses.

16. No evidence has been given of extravagance or bad management prior to 1898 other than is shown by the Chairman's statement in his report for the year 1887 above mentioned.

17. Up to the year 1891 an account was kept of the cost of the construction of the breakwaters, and calculations were made of the cost per lineal foot. Since that date no account or calculation has been exhibited by which such cost may be easily ascertained.

18. In 1901 the special coal rate mentioned in section 12 of the Westport Harbour Board Act, 1884, was struck, and produced £1,457 1s. This rate ought to have been struck at the end of 1889, but the Board neglected to move the Governor to bring the rate into force, with the result that for a period of at least eleven years all coal shipped from Westport escaped the payment of this due. In 1889, and again in 1902, the Audit Office had drawn the attention of the Government to this breach of the Act of Parliament.

19. In the Board's balance-sheets from the year 1902 the said sum of £350,000 mentioned in clause 9 above, and the three sums of £50,000 mentioned in clause 12 hereof, appear as consolidated into one loan of £500,000.

20. The present Secretary and Treasurer to the Board, Mr. Charles N. Greenland, has been in its employment in that capacity practically from the commencement of the Board's operations. The first Engineer to the Board was Mr. C. Napier Bell. In 1887 he was succeeded by the Public Works Department's District Engineer, Mr. F. W. Martin, who held office for about two years, and was followed by Mr. J. A. Wilson, previously the Resident Engineer at Westport for the Public Works Department. In 1893 Mr. T. H. Rawson was appointed as Engineer, and in 1898 Mr. R. A. Young succeeded him, and still holds the office, though absent on leave.

21. In 1902 the Board began to consider the question of forming a tidal basin.

22. No work of any consequence had been done on the breakwaters since 1894, until in the year 1900 the raising of the eastern breakwater from half-tide level was commenced, which work was completed in 1906. Work was then resumed on the extension of the eastern breakwater.

23. In 1906 a floating basin was commenced on the eastern side of the river.

24. In 1907 two accounts appear in the balance-sheets—viz., "Cape Foulwind Railway Reserve, £633 1s. 9d.;" and "Harbour expenses, £3,245 18s. 4d.;" The account "Cape Foulwind Railway Reserve" includes, if not wholly comprises, moneys expended in the purchase and laying-out of a recreation and sports ground at Cape Foulwind. The account "Harbour expenses" includes work carried out in forming a river wall and an esplanade in the Town of Westport. In 1908 and subsequent years the accounts for "Cape Foulwind Railway Reserve" and "Harbour expenses" still appear in the balance-sheets.

25. In 1908 the Board took steps to raise a further sum of £200,000 on the security of its endowments for the purpose of continuing each breakwater for a distance of 600 ft. at an estimated cost of £101,500, and the purchase of two dredges at £40,000 each, leaving a balance of £18,500 for contingencies; and this money was borrowed in the following year.

26. In 1909 the Board, out of moneys derived from this loan, purchased a suction dredge, the "Eileen Ward."

27. The Board's balance-sheets are made up to the 31st December in each year, and we have had these supplemented by a statement from the Secretary of the Board bringing the details of the receipts and expenditure down to the 31st March, 1913. The following statement shows the Board's receipts derived from revenue and loan. It has not been reconciled with the statement prepared for us by the Audit Department, from which it differs to an extent so slight as to be negligible for the purpose of this inquiry:—

WESTPORT HARBOUR BOARD : STATEMENT OF REVENUE AND LOANS.

Year.	Westport Colliery Reserve.		Westport-Ngakawau Railway.		Special Coal Rate.		Interest on Fixed Deposits.		Cape Foulwind Railway.		Sundries.		Loans.		Total.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
1884-85	3,520	6 0	4,587	7 11	..	..	150	0 0	..	..	1,194	15 10	143,551	10 0	153,003	19 9
1885-86	2,152	2 3	10,985	16 0	..	..	4,100	0 0	47	19 3	1,473	6 5	..	..	18,759	3 11
1886-87	2,553	17 10	9,775	18 2	..	..	3,100	0 0	497	1 0	253	18 5	..	..	16,180	15 5
1887-88	7,109	0 4	6,442	1 5	..	..	..	..	786	19 11	297	2 9	54,886	6 1	69,521	10 6
1888-89	8,273	0 2	16,667	4 1	..	..	460	5 10	65	16 0	101	6 9	31,743	13 11	57,311	6 9
1889-90	2,779	0 8	11,718	1 10	..	..	98	16 2	499	1 1	46	6 9	68,030	6 11	83,171	13 5
1890-91	10,007	0 3	18,673	18 6	..	..	15	0 0	491	2 6	104	18 9	54,200	0 0	83,492	0 0
1891-92	6,629	10 4	13,561	15 6	..	..	20	0 0	406	0 6	5,204	0 1	64,800	0 0	90,621	6 5
1892-93	6,945	16 1	17,091	17 2	..	..	18	15 0	309	1 3	191	10 0	25,300	0 0	49,856	19 6
1893-94	8,013	3 9	16,236	16 1	..	..	60	0 0	304	10 0	155	3 7	19,800	0 0	44,569	13 5
1894-95	9,175	14 5	19,358	12 6	..	..	..	..	420	8 9	398	18 4	31,400	0 0	60,753	14 0
1895-96	7,583	18 9	18,469	9 1	..	..	..	..	408	15 9	2,226	6 1	11,000	0 0	39,688	9 8
1896-97	7,350	14 0	24,832	11 3	..	..	..	..	404	2 8	1,134	8 8	21,000	0 0	54,721	16 7
1897-98	9,254	19 1	29,868	9 1	..	..	23	15 0	784	7 1	324	18 0	49,550	0 0	89,806	8 3
1898-99	8,531	4 4	30,862	0 5	..	..	43	15 0	1,163	16 1	446	9 6	18,450	0 0	59,497	5 4
1900	9,372	7 2	23,795	1 11	..	..	70	0 0	1,123	1 8	947	10 10	20,000	0 0	55,308	1 7
1901	10,899	0 6	36,208	4 7	1,457	1 0	70	0 0	1,166	5 4	611	4 3	15,000	0 0	65,411	15 8
1902	12,225	15 1	37,623	8 2	6,204	2 3	98	0 0	1,464	5 0	781	15 11	15,000	0 0	73,397	6 5
1903	14,569	14 2	42,074	17 8	6,949	17 6	70	0 0	1,558	18 3	1,107	18 2	..	..	66,331	5 9
1904	15,783	12 3	45,099	13 0	6,689	12 2	330	15 0	1,412	5 5	1,128	7 9	..	..	70,444	5 7
1905	15,518	4 5	43,925	6 0	6,146	7 4	505	2 6	1,068	8 10	774	1 3	..	..	67,937	10 4
1906	14,716	2 0	46,969	10 0	6,958	3 0	185	7 6	1,292	6 11	776	0 6	..	..	70,897	9 11
1907	16,095	7 2	54,272	1 11	7,598	14 6	100	12 6	1,924	0 10	936	15 1	..	..	80,927	12 0
1908	17,295	13 6	57,576	1 7	7,365	16 8	70	12 6	2,137	17 1	1,274	11 8	..	..	85,720	13 0
1909	17,290	3 9	55,468	18 2	7,770	5 3	2,310	12 6	2,130	17 5	1,832	12 9	194,000	0 0	280,803	9 10
1910	17,497	5 10	74,111	16 6	9,422	14 9	5,454	7 6	2,209	12 11	2,689	10 1	..	..	111,385	1 7
1911	17,586	14 6	60,738	13 7	8,673	15 11	3,257	10 0	2,341	15 8	2,025	3 3	..	..	94,623	12 11
1912	17,597	12 0	67,321	4 8	9,145	19 4	3,625	0 0	2,129	11 0	1,665	7 2	..	..	101,484	14 2
Three months 1913	17,784	3 0	14,499	9 9	1,966	2 11	300	0 0	627	16 2	177	6 9	..	..	35,354	18 7
	314,111	3 7	908,816	0 6	86,348	12 7	24,538	7 0	29,176	4 4	30,281	15 4	887,711	16 11	2,230,984	0 3

28. The following statement shows the Board's expenditure under various main headings generally descriptive of the Board's operations. It has been summarized from the statement prepared for us by the Audit Department, with the addition of three months' expenditure supplied by the Secretary of the Board, and bringing the statement down to the 31st March, 1913:—

WESTPORT HARBOUR BOARD: STATEMENT OF EXPENDITURE.

	£	s.	d.
Eastern breakwater	170,863	4	8
Western breakwater	91,222	3	5
Training-walls	112,529	4	2
Quarries, permanent-way, cranes, &c. ..	108,731	10	2
Buller Bridge	18,011	15	1
Orowaiti protection works	7,356	18	2
Buller relief channel	2,395	1	6
Cape Foulwind Railway: Construction ..	51,072	0	9
Cape Foulwind Railway: Working and maintenance	20,538	14	3
Westport-Ngakawau-Mokihinui Railway ..	200,705	2	6
Floating basin	57,939	16	9
Gridiron and repairs	2,874	8	10
Staiths and repairs	27,484	13	5
Harbour buildings and repairs	3,606	7	10
Wharves and bins	84,029	19	6
Plant and repairs	63,176	18	7
Dredges and dredging	217,183	13	0
Repairs (not specified)	9,364	6	1
Cape Foulwind Railway Reserve	3,027	13	7
Coal-boring	1,435	1	1
Harbour expenses and salaries (including Esplanade)	82,397	11	11
Salaries and engineering, and working-expenses tug "Mana"	31,367	12	9
Accident insurance	9,548	4	7
Special rate paid to Government	19,133	18	8
Interest on loans, &c.	614,023	12	3
Sinking fund	77,531	13	10
Miscellaneous (including rates, law charges, endowment management expenses, travelling-expenses, Public Revenues Act, Exhibition Empowering Act, 1905, Appropriation Act, 1910, Westland and Nelson Coalfields Act, 1901, office expenses, loan-fotation expenses, 1885, £200,000, loan-fotation expenses, 1909, Martin's Island, Chairman's annual allowance)	30,758	13	3
Total	£2,118,310	0	7

29. Mr. Napier Bell, although he had ceased in 1887 to be Resident Engineer, kept in close touch with the works and reported thereon from time to time. The Board also received at various times engineering reports from Mr. Leslie Reynolds, Mr. R. W. Holmes as Marine Engineer of the Dominion, and Mr. C. W. Darley.

30. Owing to the dredging as recommended by Sir John Coode not having been carried out, a large shingle-spit had encroached upon the deep-water channel of the river-bed opposite the town, and to avoid the necessity for the removal of this obstruction by dredging, Mr. Napier Bell, in 1891, whilst reporting generally on the position of the works, recommended that the internal training-wall on the western side of the river should be constructed upon a different alignment from that recommended by Sir John Coode, and that it should be shortened up-stream, terminating at the Buller Bridge. The effect of this alteration was to remove

entirely by scour and to deposit on the bar and in other portions of the harbour the material which Sir John Coode intended to be removed principally by dredging, and incidentally to narrow the navigable channel opposite the wharves. It appears from this report that Sir John Coode had concurred in the suggested removal of the proposed floating basin from the western side to the eastern side of the river.

31. In 1891 the last 35 ft. of the western breakwater was stated (upon a plan—one of the records of the Board) to have been constructed at a cost of £119 per foot, including staging.

32. The best result obtained from the action of the breakwaters on the bar was shown in 1890, but in consequence of subsequent shoaling in 1892 Mr. Napier Bell reported on the position, and he recommended that both breakwaters should be extended, the western wall by 600 ft. and the eastern wall by 1,000 ft., thus making the end of the walls coterminous, in place of the form recommended by Sir John Coode, where the western wall overlapped the eastern wall by 400 ft.

33. Mr. Leslie Reynolds also in 1892 reported on the harbour-works and principally upon the training-walls, and in 1893 Mr. Reynolds again reported upon the result of scour at the staiths that had been produced by the construction of the upper portion of the half-tide training-wall on the opposite side of the river. He proposed to modify the alignment of the wall in order to remove the current, which was objectionable as being set across the river on to the staiths, but none of the recommendations of Mr. Reynolds were adopted by the Board.

34. In 1896 Mr. Napier Bell reported especially upon the extra depth ruling outside the ends of the breakwaters due to a recent heavy flood, and the occurrence of a shoal a couple of thousand feet further out; and in order to deal with this shoaling repeated his previous recommendation that the ends of the walls should be made coterminous by the extension of the eastern breakwater by 400 ft. He also recommended an extension of the west half-tide training-wall by 700 ft. down-stream to assist in the removal of a bank of shingle which had formed in the channel below the mouth of the western lagoon. In the same report he estimated the cost of the construction of the floating basin at £90,000, but at the same time he recommended that its construction would be premature, as the danger to shipping expected by Sir John Coode and others from floods and drift logs had not been realized as the result of experience. Mr. Bell also specially called the Board's attention to the silting up of the west lagoon owing to the declaration by the Government of Bradshaw's Creek as a sludge-channel.

35. In 1898 Mr. Napier Bell again reported upon the general condition of the harbour, and repeated his previous recommendations that the east breakwater should be extended out to and beyond the western breakwater. He pointed out a possible danger to navigation by this extension, but suggested that if experience showed that this danger existed the previous condition might be restored by a similar extension of the western breakwater. He also recommended further extension down-stream of the half-tide training-walls, and the raising of the eastern breakwater above the half-tide level to that of the staging so as to avoid the necessity of restoring the staging, which was then perished. Mr. Bell again warned the Board that the loss of tidal area through the silting-up of the west lagoon would be detrimental to the harbour.

36. In 1900 Mr. Napier Bell again repeated his advice as to raising and extending the eastern breakwater.

37. In 1901 Mr. Napier Bell made a general report on the condition of the harbour, and again repeated his advice as to the permanent raising of the eastern breakwater to 12 ft. above high water, and its extension by 600 ft. He also recommended that one of the Board's hopper barges should be fitted up as a sand-pump dredge for use in the river and so arranged as to deliver spoil ashore, and suggested that it could be employed to dredge the proposed floating basin, and warned the Board to prevent alienation of lands adjacent thereto. So far as we are aware this is Mr. Napier Bell's final report on the Westport Harbour works.

38. The Board tried the experiment advised by Mr. Napier Bell of pumping up sand, and as a result of the experience thereby gained in 1902 ordered a sand-pump hopper dredge, the "Rubi Seddon," which was delivered in 1903.

39. By 1907 the raising of the eastern breakwater had been completed, its extension for 400 ft. was in hand, the construction of the floating basin had been

commenced, and dredging was being carried out. All these works were carried out as a charge upon the Board's ordinary revenue, the last moneys received from loan having been in 1902.

40. In 1907, in consequence of suggestions that it would be desirable to make a naval coaling-station for the Australian Squadron at a West Coast port (Point Elizabeth, Greymouth, Cape Foulwind, or Westport), by direction of the Chairman of the Board, the Engineer, Mr. R. A. Young, and the Secretary, Mr. C. N. Greenland, furnished a report wherein it was estimated that a subsidy or loan of £200,000 would be required to carry out completely the recommendations of Mr. Napier Bell made in his report of 1898 to extend both breakwaters for 600 ft. beyond the work then in hand on the eastern breakwater, and in addition to provide two powerful suction dredges capable of working on the bar. In this report Mr. Young stated his conviction that as the result of the expenditure of the sum of £200,000 "within four years from this date (August, 1907) we could have a port here capable of dealing with the largest war-vessel ever likely to be in service on the Australian Station. This estimate in detail was as follows:—

"(1.) Suction dredges of the 'Rubi Seddon' type, having each twice the horse-power and carrying-capacity of that vessel, say	£	110,000
"(2.) Probable extension of both breakwaters 600 ft. as recommended by the late Mr. Charles Napier Bell, M.I.C.E., in his report to the Board in July, 1898, with a reduced width of entrance from 700 ft. to 650 ft.		72,000
"Contingencies, 10 per cent. say		18,000
		£200,000

"NOTE.—The above estimate assumes that the works as under will be done out of the Board's ordinary revenue:—

- "(1.) Construction of 400 ft. extension of east breakwater (now in hand);
- "(2.) Construction of floating basin as authorized by Government (now in hand);
- "(3.) Cost of all dredging operations, including maintenance of plant."

41. The proposals to form a naval coaling-station at Westport were not proceeded with, but notwithstanding this the Board in March, 1908, obtained from Messrs. Young and Greenland a further report, in which they confirmed their previous opinions and recommended that a loan of £200,000 should be raised. An amended estimate by the Board's Engineer appeared on a plan approved by the Board on the 16th March, 1908, which plan was submitted to the Marine Department (M.D. 3189) and received the approval of the Governor in Council on the 7th July, 1908. This plan and estimate was apparently submitted to Parliament in compliance with Standing Orders in connection with the Westport Harbour Board Loan Bill, 1908, which became law on the 15th September. This amended estimate was as follows:—

" Estimated cost—		
" 406,800 tons of stone to be used in extension of east and west breakwaters for a length of 600 ft. at 5s. a ton	£	101,500
" Two 1,000-ton hopper suction dredges as per specification, to dredge to a depth of 40 ft. below water, at £40,000 each		80,000
" Contingencies, 10 per cent. say		18,500
		£200,000

"NOTE.—With the breakwaters' extension shown and these two dredgers I am of opinion that a depth of 30 ft. on the bar and fairway can be obtained at low-water spring tides. Work and equipment now proposed estimated to cover a period of four years."

42. Pursuant to the authority given by this Act the Board purchased a suction dredge, the "Eileen Ward," having a hopper capacity of 1,000 tons.

43. The Marine Engineer of the Dominion, Mr. R. W. Holmes, in 1909 reported to the Minister of Marine on the question of the use of dredging or of training-walls to increase the depth of water on the bar. It was his opinion that the breakwaters should be coterminous, that the entrance should be diminished from 700 ft. to 650 ft. or to possibly 600 ft., and that future extensions of the breakwaters should be carried forward simultaneously, but only if experience warranted the extensions. Mr. Holmes also recommended that the two dredges, "Rubi Seddon" and "Eileen Ward," should be kept constantly at work on the bar, and expressed his opinion that the natural scour would not be sufficient without dredging to maintain the channel. Mr. Holmes confirmed the view previously expressed by Mr. Napier Bell that systematic surveys and observations both inside the river and in the roadstead should have been regularly made for the purpose of enabling the effect of scour to be definitely settled, so that the respective efficiencies of scour and dredging might be accurately determined. Mr. Holmes, for the preservation of beacon lines upon which soundings should be taken at regular intervals, recommended that permanent concrete blocks should be established for a mile on each side of the entrance. The Board have to some extent carried out this recommendation of the Marine Engineer as to the concrete blocks. These blocks on the western side have been placed on land over which the Board had and still has no control, concerning which we refer to more fully hereafter.

44. Mr. Holmes in 1912 made a further report to the Marine Department upon the effect of dredging and the extension of the breakwaters. From evidence which Mr. Holmes gave to the Commission, the figures in his report as to the cost of the breakwater extensions were based upon data supplied to him by the Engineer to the Board, Mr. Young. Had he been supplied with correct information his calculation as to the relative values of dredging as compared with extensions of breakwaters would have been materially altered, and the advantage of proceeding with dredging rather than with extensions of the walls would have been further emphasized. Notwithstanding this he recommended that a dredge having the same pumping-capacity as the "Eileen Ward," but having a larger hopper capacity, should be obtained. Mr. Holmes specially remarked that "the reclamation of any areas between high- and low-water marks, spring tides, should be absolutely prohibited within the tidal compartment."

45. In March of the present year, 1913, Mr. C. W. Darley reported to the Marine Department, and deprecated reducing the width of entrance to less than 650 ft., and stated that the extension of the eastern breakwater beyond the western should be limited to 200 ft. or possibly 250 ft. until the result had been definitely ascertained. He also drew attention to the want of careful observations over a sufficient period of years to provide accurate information of the successive changes. He recommended economy to be obtained by reducing the width of the breakwaters, and he refers to the danger of using small stone. He advised a vigorous dredging policy independently of the breakwater-construction. Mr. Darley, in dealing with the floating basin and the proposed slip therein, recommends that the shape and alignment of the basin should be altered and a new site adopted for the slip, and he makes a suggestion for better railway access to serve the floating basin by a new line of railway to pass to the eastward of the town.

46. Mr. Holmes, in reporting in August of this year, confirms the recommendations of Mr. Darley in regard to the floating basin, but recommends an extension of the width of the entrance, and says, "It has always seemed to me that the entrance to the floating basin was too narrow to be worked with facility."

47. Dealing with matters under various headings we find :—

SIR JOHN COODE'S ORIGINAL SCHEME.

The scheme propounded originally has been varied in the following manner: The training-walls have not been constructed exactly on the lines suggested, with the result that a strong set of the river-current has been thrown on to the staiths and crane wharf. This has had the effect of causing a considerable scour at the wharf, and has made a somewhat difficult and on occasions a dangerous current from a navigational point of view.

That portion of the scheme relating to the grading of the river-bed from the breakwaters up to the relief channel has been entirely ignored. The object of such grading was to increase the tidal compartment, and, so far from this object having been gained, the Board have taken no steps to preserve the tidal capacity of the western lagoon, which has been allowed to silt up without protest.

The floating basin has been changed from the original site on the western side of the river to the eastern side, where the natural features are not so favourable as on the original site, but to this change Sir John Coode had assented upon the representation of Mr. Napier Bell that the eastern site would be more economical in working.

BREAKWATERS.

48. The western breakwater was originally constructed some 400 ft. further out to sea than the eastern, but since 1909 the eastern breakwater has been extended seaward for a distance of 80 ft. beyond the western when measured at right angles to the fairway line, with the result from a navigational point of view that the entrance is rendered somewhat more difficult, especially in heavy weather from the westward (the prevailing set), as the vessels are deprived of the projecting shelter of the western breakwater and there is a consequent tendency to be set on to the eastern wall.

There is no evidence that consultations were held with or inquiries made from shipmasters as to the effect on navigation from the extension of the eastern breakwater, and such complaints as have been made by shipmasters since the work of extending the eastern breakwater has been commenced have been ignored, notwithstanding the advice of the Marine Engineer in his report of August, 1912, that the effect of the extension on navigation should be carefully watched.

CAPE FOULWIND RAILWAY.

49. No proper or sufficient check has been kept over the working of this line, particularly in regard to passenger traffic and fares. The Board has a printed scale of fares for carrying passengers on this line, but for years past this scale has not been enforced in the case of passengers travelling for short distances, and the Board or its executive officers do not seem to have been aware of this fact.

The system of measuring logs carried for sawmillers on the line is that of measuring the square contained in the small end of the log and adding one-fifth thereto. This system, or a similar one, has been abandoned by the New Zealand Railways for some years as being inadequate for ascertaining the true contents of logs carried. The advantage is in favour of the sawmiller, with the result that the sawmiller has his logs carried on this line at a greater advantage than sawmillers in the district and elsewhere obtain on the New Zealand Government Railways.

Maintenance of this line: The cost of upkeep and maintenance of permanent-way has been much in excess of the cost of similar work on the Government lines.

DREDGING AND TUG.

50. In the year 1890 the Board purchased from the Lyttelton Harbour Board for the sum of £12,000 the bucket-and-ladder self-propelling dredge "Erskine," and its two attendant self-propelling hopper barges "Heathcote" and "Sumner." In 1903 the Board obtained a twin-screw 500-ton hopper suction dredge (the "Rubi Seddon"), and in 1910 obtained the twin-screw 1,000-ton hopper suction dredge "Eileen Ward." In 1895 the tug "Mana" was purchased. All these vessels are fully manned with complete staffs and crews, except that one crew works both the hopper barges. The hours for which the dredgemen are paid are forty-eight per week, between 7.30 a.m. and 5.15 p.m.

The suction dredges cannot work on the bar if the scend exceeds 3 ft. They cannot be navigated out to sea when a heavy sea is running, owing to the position of the suction-pipes outside the hull, as the pipes are liable to be carried away by the sea; consequently dredging can be carried on only in fine weather outside the entrance, and loads dredged in the river cannot be taken to sea in rough weather. The hopper barges, being of low power, are unable to go to sea in bad weather, or to work when the river is in flood. Owing to the necessity of keeping the fairway

of the river clear, the bucket-dredge "Erskine" has been berthed at the wharf every night. In consequence of these limitations upon the dredging, including the hours worked, the amount of useful work done during the year has been comparatively small, and the best results have not been obtained from the plant. It has been the practice when the dredges were unable to work to employ the crew upon painting and repairs. No attempt has been made by the Board to increase the efficiency of the plant by working longer hours when weather permitted, or by night shifts, or by suiting the tidal conditions.

"RUBI SEDDON."

51. In 1902 the Board sought the assistance of the Government towards the procurement of a dredge, and following thereupon financial arrangements were made by which the dredge was obtained through the agency of the Railway Department, who, it was understood, should in turn utilize the services of the Agent-General and the Consulting Engineers to the Government in Great Britain. The Board supplied a skeleton specification for the dredge in which it was stated, *inter alia*, that the dredge would be required to deal with sand and silt, and rough shingle, including stones 3 in. to 10 in. in diameter. This specification was shortly afterwards superseded by another containing the same provisions, but adding an additional one to the effect that the dredge should be similar to the "Antleon" recently built by Messrs. Simons and Co. (Limited), of Renfrew, Scotland, for the New South Wales Government, and the Board asked at the same time that the dredge should be ordered from that firm. The Minister of Railways sent this specification forward to the Agent-General with instructions to obtain a quotation from that firm, and in fact no other firm could be expected to tender, as the specification required a line drawing of the "Antleon" to be supplied. Incidentally we mention that another firm desired to tender, but was not given the opportunity to do so. Messrs. Simons appended their own specification in detail to their tender, and also referred to the "attached specification," which it is understood was that handed to them by the Agent-General. The tenders mentioned several prices for different ports of delivery and times of payment. These particulars were cabled by the Agent-General to the Railway Department, with the result that the Board authorized the acceptance of the highest-priced tender, amounting to £25,750, delivered in Wellington, where full payment was to be made. Before accepting that tender the Agent-General, by agreement with the contractors, secured a reduction in price to £25,000. On the arrival of the detailed British specification in New Zealand the Board discovered and pointed out that the dredge was apparently designed to work at moorings, and not under way as the makers' descriptive pamphlet described the "Antleon" to do. The Consulting Engineers to the Government took immediate steps upon this discovery to have rectified the result of this misunderstanding, but they pointed out that the drawings and specifications of the "Antleon" as submitted to them by the makers did not describe a dredge to work under way, but at moorings.

When the dredge was finished she was tested on the Clyde in the presence of a representative of the Consulting Engineers, who passed the dredge as being in compliance with the specification; but it does not appear that the capacity of the dredge to lift stones of 10 in. diameter was tested on that occasion. The dredge arrived at Wellington in November, 1903, with her hull in a damaged condition through grounding in the Gulf of Suez on the voyage out. The Board specially authorized the Railway Department to act as their agent in taking over the dredge, and in virtue of this authority the Railway Department agreed with the representative of the makers upon the extent of the necessary repairs, which were thereupon carried out in Wellington without cost to the Board. The Chief Mechanical Engineer to the Railway Department, acting as agent for the Board, intimated in writing that he was "prepared to accept the dredger as complete and in accordance with the original contract made by the Agent-General with Messrs. Simons." No further test was made in Wellington before its acceptance to ascertain whether the dredge complied with the particular requirement of the Board as to the raising of stones up to a diameter of 10 in. The dredge was taken over by the Railway Department on the 3rd February, 1904.

On the arrival of the dredge at Westport it was found that it would not lift stones larger than 5 in. in diameter. Upon this defect being represented to the

British Consulting Engineers and to Simons Limited, the former replied that the particular requirement had not been regarded because it was understood that the pumps were to be used for dredging sand, and that such pumps could not be expected to lift such stones; and the builders intimated that they did not, for the same reason, regard the requirement as having been seriously stated.

The Board at its own cost ultimately substituted pumps made in Australia which entirely fulfilled the specified requirements. The Consulting Engineers on being informed of this fact said they were not surprised, but that such pumps would probably wear out very quickly.

A dispute as to the charges for the alterations in Britain to make the dredge pump whilst under way in place of at moorings, and as to the liability for the pumps substituted in New Zealand, was finally settled by an additional payment by the Board as a compromise. The correspondence shows that the Board, after receiving the dredge, stated to the Railway Department that they were quite satisfied that Messrs. Simons and Co. tendered for a dredge of a totally different character to the kind required and specified by the Engineer to the Board, and they further specifically stated that they did not in any way blame the Railway Department for what had occurred.

STAITHS.

52. The staiths are obsolete and of little use except for small craft, and then only at certain stages of the tide. They are not in use by the larger vessels trading to the port, because the shoots will not deliver coal to the centre of the hatchways. In some conditions of the river-current they are a danger, as not infrequently the top hamper of vessels has come in contact with the chutes, and damage has been done either to the vessel or the staiths, or on occasions to both. Having been of little use for many years past, they have been allowed to fall into disrepair.

WHARF CRANES.

53. The Board has four working cranes on the wharf, used principally for loading coal, three made by Jessop and Appleby, and one by Anderson Limited, of Christchurch.

The first crane placed on the crane wharf in 1900 was an imported one made by the British firm of Jessop and Appleby, and designed to lift 15 tons, and cost £3,506. In 1904 Messrs. Anderson Limited were employed to construct a somewhat similar crane, which cost £4,245. This crane was found not to be satisfactory, and two further cranes to lift 20 tons each were obtained in 1907 and 1909 from Jessop and Appleby, at the costs respectively of £3,974 and £4,157; but these cranes were made self-moving, and the first British crane has since also been made self-moving. The Anderson crane is movable but not self-moving. Notwithstanding many alterations, the Anderson crane is not so satisfactory as the imported cranes. The design of the Anderson crane was approved by the officers of the Railway Department on behalf of the Board.

The present crane service is sufficient for the present trade of the port, but if the staiths are removed and the site converted into a continuation of the crane wharf, eventually additional cranes will probably be required.

COAL-STORAGE.

54. Suggestions have been made that facilities should be provided at the port for the storage of large quantities of coal. The evidence placed before us shows that the best place for coal-storage, if required, is at the mines. It is not economical to store in trucks, nor to double-handle the coal at the wharves by erecting storage-bins there. The staiths are not satisfactory for storage purposes for the class of coal sent away from Westport. The suggestion that coal should be stored in great heaps, and be handled by mechanical contrivances, is a method not suited to the easily friable coals of the Westland district. It was shown in evidence that there are at least twenty-six different classes of coal delivered at the port for shipment, for which it would be scarcely practicable to provide separate storage.

RAILWAY-SIDINGS.

55. The Harbour Board have at different times constructed private sidings for sawmillers on or in connection with its Cape Foulwind Railway. One case prominently before us was that of a siding recently made for a firm of sawmillers, Bowater and Bryan (Limited), for which a debt appears in the Harbour Board letter copy-book for £111 18s. 3d. This remains unpaid, and the liability to pay it is disputed.

An application was made to the Railway Department for a siding into this mill, which is situated at the junction of the Government and Cape Foulwind lines, and was approved, but not carried into effect because other arrangements were made by the applicants with the Harbour Board to construct a siding from the Board's line. This was authorized by the Board on the following terms: "That the siding be put in on the same terms as others of the kind have been." We were unable to obtain any evidence as to what these terms were. The Government Railway Department do not put in private railway sidings for nothing, and the cost of construction is in all cases paid by the grantee of the siding. In the case of industrial sidings—*i.e.*, coal and timber, &c.—no rent is charged.

WORKSHOP AND STORES.

56. The workshop owned by the Harbour Board is adjacent to the Government Railway Workshops, and is indifferently equipped; nor is the plant sufficient to enable all the repairs required to be done in the Board's own shop. Much of the work has to be done for the Board by the Railway Department and outside engineering shops. The Railway Workshops could cope with all the work required both in its own Department and for the Harbour Board, including the special repair-work for the dredge plant.

The store and storemen employed by the Board are not necessary, and more economical arrangements could be made. Even if a small stock of the material that is most commonly required has to be kept, a special storeman is not required. It is in evidence that the first storeman appointed by the Board was a brother of the then Chairman, and that his duties were light.

TRADING ACCOUNTS.

57. The Board has some trading accounts which are in part, if not altogether, outside the duties and functions of a Harbour Board. These accounts are not kept in a satisfactory way. The debits have never been incorporated in the books of accounts of the Board, and consequently they do not appear amongst the credits on the Board's balance-sheets. These amounts have not always been paid, but when paid they have not always been credited to the accounts to which they should properly belong.

The sale of old material, such as rails and sleepers, which have been removed from the permanent-way is a proper transaction by the Board, but no satisfactory method has been followed in the disposal of this material, and no record of such material has been kept. No proper system of valuation has been carried out in respect of this material in order to fix the price at which it should be sold. In consequence of this lack of system, large numbers of sleepers have been given away for fencing and firewood to relatives of employees and others, and, in one case brought before us, to a member of the Board. It is in evidence that old sleepers were stolen, and that the Board suffered loss in consequence of not having at its disposal such old material when required on the works.

In addition to the sale of old material, the Board has on occasions sold new material, such as railway-rails and ironbark timber, at its cost price, or at such a small advance on the contract price as would be insufficient to cover the cost to the Board. The Board has also allowed some of these accounts to remain unpaid for an unreasonably long time.

When the dredge "Rubi Seddon" arrived she brought as part of her equipment some steel water-pipes to be used in conveying ashore the material dredged from the river. As these pipes were not in use for the time being they were stacked on spare lands. It was recently discovered that some of these pipes were missing, and inquiry was made from the Engineer, as the result of which he recollected that, some years before, the missing pipes had been removed with his consent and had

been used to make smokestacks for sawmills in the district, and it was found that no record of the transaction had been kept. A charge has since been made for the pipes, and paid.

One account calls for particular mention. During the time that a contractor named Foster was a member of the Board the Board let to him part of its plant. Foster had a contract with the Motueka Harbour Board. One other member of the Board was interested as a guarantor in this contract. The terms upon which the plant (pumping machinery and pumps) was let were that Foster was to give a bailment over the plant, and deposit £100 as security for the payment of rent and for the return of the plant. The rent was fixed at 10s. a week. The bailment was executed, but no deposit was made, no rent has been paid, and the plant has been in use by Foster ever since. The Board towed the plant to Motueka for Foster by means of its tug at a booked charge of £77. The charges both for towage and rent are very low, and nothing has been paid on the account. These charges have not been brought into the books of account of the Board, and were not submitted to the Government Auditor. This absent plant is not covered by insurance. This same contractor has at previous times, whilst a member of the Board, had the use of the Board's plant for the purposes of his business as a contractor, and upon advantageous terms.

Upon occasions other plant of the Board has been hired upon inadequate terms, and in some instances lent free of charge.

LANDS IN NEIGHBOURHOOD OF HARBOUR.

58. The lands upon which the Board's harbour-works are situated are within the ambit of the Harbour of Westport, but none of the lands on which the works are erected or constructed are vested in the Board or reserved for harbour-works.

The Board has during its existence, by the erection of training-walls and breakwaters, indirectly if not directly caused accretions to the land along the foreshore and abutting on to the Buller River.

No steps have ever been taken to have those portions of this land which might reasonably be expected to be required for future harbour operations or works reserved for harbour purposes.

In one particular instance brought prominently before us, land upon which an important adjunct to the Board's works is situated has passed into the control of other persons for a term of twenty-one years without restriction or reservation in favour of the Board. The land in question is known as the South Spit, and is situated on the western side of the river, bounded generally towards the north by the sea, towards the east by the western breakwater at the Buller River mouth, and towards the south by a lagoon running in from the Buller River, the original site of the floating basin in Sir John Coode's plan. This land was made up of sand-wastes and swamp, to which accretions have been made on the sea-front as the result of harbour-works and on the lagoon-shore by silting, and has been improved by grassing by the licensee. The land was, with the consent of the Harbour Board, let by the Land Board to Mr. James Colvin from 1899 on a year-to-year license terminable on three months' notice without compensation, and consisted of two blocks estimated to contain 150 and 20 acres respectively.

In 1908 Mr. Colvin, who was then and had been for many years a member of the Harbour Board, gave an option to purchase over this land to Mr. A. A. Wilson, who was then acting for the Westport Golf Club, as that club desired to form golf-links on the land provided a better tenure could be secured from the Land Board. Mr. Wilson, who is also solicitor for the Harbour Board, but without retainer, in August, 1909, wrote to the Commissioner of Crown Lands at Nelson in the matter of securing a better tenure. On receipt of the Commissioner's reply Mr. Wilson made application for a twenty-one years license under regulations dated 2nd September, 1904 (*Gazette*, 8th September, 1904), purporting to be made under the Land Act, 1892, and the Mining Act, 1898. It had been the practice of the Land Board to submit all such applications to the Harbour Board to ascertain whether any objections were offered by the Board or any reservation required to conserve the Board's interest. This application was submitted in due course, and the Harbour reported as follows

(extract from Secretary's letter to the Commissioner of Crown Lands, dated 22nd September, 1909): "(3.) The Westport Harbour Board do not object to the land being used as a golf-links providing an easy termination of any agreement for the same which may be made is allowed for, and the area to be used is laid out subject to the Board's Engineer's approval." The application was refused by the Land Board, who stated that "the Board cannot see its way to grant a more permanent tenure over the area in question than a temporary occupation license." On the 8th October Mr. Wilson again wrote to the Commissioner of Crown Lands asking the Board to reconsider its decision. The Board adhered to its former decision, and a member of the Land Board, Mr. Walker, wrote privately to Mr. Colvin suggesting that he should himself apply for the land on the proposed twenty-one years tenure, and after securing a lease transfer it to the Golf Club. Mr. Colvin endorsed a memo. on the letter to the effect: "Kindly see Messrs. Young and Greenland, and if you think it necessary apply for it for me. We can then arrange matters"; and sent the letter so endorsed to Mr. Wilson. Mr. Wilson then made an application for the land in Mr. Colvin's name. This application is dated 29th November, 1909, and is signed by Mr. Colvin himself. It was for the same land and presumably for the same purpose. The application was approved by the Land Board and a survey ordered. The surveyor at Westport prepared a rough sketch of the land, and submitted it to the Secretary of the Harbour Board and to Mr. Sinclair, the Board's Draughtsman, who was acting in the absence of the Board's Engineer, Mr. Young.

There existed on the land applied for a number of fixed, permanent standard blocks, at which beacons are temporarily erected for use in carrying out periodical soundings in the Westport roadstead. Mr. Sinclair marked off an area containing 64 acres as a reserve for the purposes of the Harbour Board. This rough sketch with the reservation was submitted to the Commissioner of Crown Lands and Chief Surveyor at Nelson for his approval, and he instructed the surveyor at Westport to survey the land, excluding the 64 acres as shown on the rough sketch. The new title applied for was for the whole of the land held by Mr. Colvin under a year-to-year license, and was described as containing by estimation 170 acres. After deducting the 64 acres as a Harbour Board reserve, the survey disclosed that there were still 184 acres left in the block for the purposes of the application.

When Mr. Wilson heard of this proposed Harbour Board reservation he wrote to the Land Board and interviewed the Harbour Board officials with a view to getting the reservation removed. Mr. Colvin also saw the Secretary about the matter, but the exact nature of what took place has not been disclosed to us. Mr. Wilson persisted in his endeavour to have the reservation removed, and the final settlement was hung up for some time.

The matter of this reservation, its extent, and its subsequent removal were never submitted to the Harbour Board. The question of a twenty-one-years lease of this land was not brought before the Board officially since its consent was obtained for the use of the ground for golf-links under suitable restrictions.

On the 21st January, 1911, the Commissioner of Crown Lands wrote to the Secretary of the Board in regard to the application of Mr. Colvin. After referring to the rough tracing, the letter continues: "I have a copy of this tracing before me, and an area of 64 acres is shown at the northern end marked 'Proposed Harbour Board Reserve,' and was presumably so reserved by your Board. As the area held by Mr. Colvin on occupation license only contains 170 acres, and the area as surveyed 184 acres, he has already more than he applied for, and if this 64 acres is actually required by your Board as a reserve it should be retained for that purpose. Please inform me if you have the details of the transaction reported by Mr. Springall (the Surveyor at Westport) as to what areas should be excluded from the license."

On the same day the Commissioner wrote to Mr. Wilson confirming the reserve.

On the 24th January, 1911, Mr. Wilson replied to the Commissioner as follows: "Yours of the 21st instant to hand. I have again seen the Secretary and the Engineer of the Westport Harbour Board, and they both state they know nothing of the 'proposed Harbour Board Reserve.' The Engineer informs me he would like a reserve of $7\frac{1}{2}$ acres for the signalman. Mr. Colvin will have no objection to this new area being excluded from the pastoral license."

None of the correspondence came before the Harbour Board, and as a result of the whole negotiations the reservation of 64 acres was reduced by the Board's

Engineer with the concurrence of the Secretary to $7\frac{1}{2}$ acres previously fenced in for a signalman's cottage, and a strip $1\frac{1}{2}$ chains in width upon which the railway to the western breakwater was situated. The original restriction asked for in the Secretary's letter of the 22nd September on the proposed grant to the Golf Club expressly requested by the Board was not put into this license, though it was known that it was in contemplation that the land was intended for the Golf Club.

The pastoral license was ultimately issued to Mr. Colvin without restriction or reservation other than those provided for in the regulations for an area of 232 acres, the original reservation of 64 acres having been withdrawn. The Golf Club, by subsequent agreement, obtained at a rental of £12 a year a license from Mr. Colvin to use the land for golf-links, and the pastoral license has twice changed hands subject to the license of the Golf Club. The Board's standard blocks on the western side of the Harbour are all within the boundaries of the pastoral license issued, and the Board has no right of access to these blocks other than that given by the regulations. It was a matter of importance that the Board should have had full and free access to these blocks with the right to erect beacons thereon and to cut down the lupins and other growth upon the beacon-lines, and there should have been expressly reserved to the Board an easy termination of the license, even if a total reservation from the license should not have been made of the lands upon which the blocks are situated.

LOANS AND FINANCE.

59. Under section 7 of the Westland and Nelson Coalfields Administration Act, 1877, lands known as the Westport Colliery Reserve were set apart, and "the purchase and other moneys arising from the sale, lease, occupation, or disposal thereof, and the rents, royalties, fees, and other moneys arising therefrom," declared a security for the construction of the Westport-Ngakawau Railway, charged in particular as a security for the sum of £145,511 12s. 6d., and on all sums spent upon the railway-construction after the 31st December, 1876, with interest on all such sums at the rate of 5 per cent. per annum, chargeable half-yearly.

When the Westport Harbour Board was constituted under the Westport Harbour Board Act, 1884, the Board was endowed under section 7 with the revenues arising from these lands, together with the profits arising from the working of the Westport-Ngakawau Railway, and all wharfage and tonnage rates, less the cost of working and collecting, and compensation for accidents.

By the Westland and Nelson Coalfields Administration Amendment Act, 1901, certain other lands in and around the Borough of Westport were declared to form part of the endowments under the original Act. These rents, royalties, fees, and profits form what is generally referred to as the Westport Harbour Board endowments.

Under the Westport Harbour Board Act, 1884, the Board was authorized to raise a loan of £500,000 on the security of its endowments. There was also, by section 12 of that Act, a special rate authorized and directed to be raised on coal "so soon as a sum of £250,000 has been expended in the improvement of the Harbour of Westport." This rate was, under the Act, to be applied towards the repayment of the moneys authorized to be borrowed under the Act (£500,000) and the interest thereon, and to the repayment of the sum of £145,511 12s. 6d. above mentioned, with interest thereon. This matter has been the subject of a judicial decision (*The King v. The Westport Harbour Board*—25 N.Z. L.R. (C.A.) 449), in which it was held that the proceeds of this rate should be applied to these two sums rateably.

By the year 1884, when the Board was constituted, the cost of construction of the Westport-Ngakawau Railway (as stated by the Railway Department) has increased to the sum of £221,299, including the sum of £145,511 12s. 6d., which latter sum is repayable with interest thereon by means of a contribution from the special coal rate. The sum of £250,000 referred to in section 12 was expended in the improvement of the Westport Harbour by the end of the year 1889, but the special coal rate was not struck or levied until the year 1901. This rate had to be collected as from a day and by a person appointed by the Governor, and when collected was to be paid to the Harbour Board and applied by the Board as above mentioned. The Governor, on the 6th August, 1901, appointed that the special rate should be collected as from the 1st September, 1901, by the Treasurer of the Board.

Since that date such rates as have been collected have not always been applied in strict accordance with the above-mentioned decision of the Appeal Court. For instance, the balance-sheet of 1912 shows that out of the rate collected in that year the sum of £2,000 was paid to the interest account on a loan of £200,000 raised in 1909 under the authority of the Westport Harbour Board Loan Act, 1908.

For twelve years from the 1st October, 1889, to the 1st September, 1901, this rate was not collected, and therefore lost to the Board. The total coal shipped during that period was 3,169,075 tons, which would have produced to the Board a revenue of £39,163 8s. 9d. if the rate had been collected as required by the statute. The special coal rate has produced to the 31st March, 1913, the sum of £86,348 12s. 7d. Of this amount £18,983 19s. 8d. has been paid to the Treasury on account of the sum of £145,511 12s. 6d., leaving £67,364 12s. 11d. available to be paid on account of interest and sinking fund on the first loan of £500,000.

The sum of £18,983 19s. 8d. above mentioned is lying in a suspense account in the Treasury, and is neither appropriated to the debt nor earning interest. The Board have not taken steps to direct the Treasury to appropriate their payments either to interest or capital, nor have they sought to ascertain the position of the account, nor have they themselves kept an account of this debt.

On the 23rd November, 1889, after the £250,000 mentioned in section 12 had been expended, a letter was written by the Audit Department to the Public Works Department, calling attention to the statutory duty to collect the rate. Again on the 14th January, 1892, Mr. Holmes, Audit Inspector, drew the attention of the Audit Office to the failure to collect the rate; and Mr. J. E. FitzGerald, Controller and Auditor-General, on the 19th January, 1892, brought the matter under the notice of the Government.

The expenditure of the earlier loans, amounting to £650,000, was so remote that little or no detailed evidence was available to us as to whether they were expended in an economical manner.

CHARGES COLLECTED BY RAILWAY DEPARTMENT.

60. The Railway Regulations include, *inter alia*, a charge of 6d. per ton for coal handled by the wharf-cranes, but this charge has never been collected, and the Board in consequence have lost a considerable amount of revenue. The charge in the railway tariff for general goods passed over the wharf either inwards or outwards at Westport is shown as 2s., but in lieu of this amount the Department have collected at the rate of 3s. per ton.

The Harbour Board appears to have taken no steps to draw attention to the action of the Railway Department in deviating from the rates in the tariff approved by the Governor in Council.

ESPLANADE AND CAPE FOULWIND RAILWAY RESERVE.

61. In 1907 the Board passed the following resolution: "That the esplanade from Wakefield Street up the Buller River to the Buller Bridge be constructed as early as possible, and formed from waste quarry material, with a view of preventing and stopping the wearing-away of the river-bank, and also to give facilities for traffic to the houses on the esplanade, which will be necessary when the new siding arrangements of the Railway Department are put into operation." This work was commenced in the latter end of 1907, and continued until December, 1912. The extent of the work is as follows: Length of cut stone wall, 511 ft.; rough stone wall, 242 ft.; total length of road-formation, 2,153 ft.; and average width of same, 33 ft. The Board expended in this work £6,133 6s. 6d. in labour and £110 5s. 8d. in material, a total of £6,243 12s. 2d. The river-bank where this wall is constructed is not subject to erosion in the normal state of the river. In high-flood times there is a little current along the river-bank, but the erosion, if any, is very slight. The necessity for this work as a harbour-work does not appear, and no evidence was given tending to show that it was necessary. Plans of the work were not prepared, nor estimates given as to the probable cost before the work was undertaken. No plans were ever submitted to the Marine Department for approval. The cost of this work does not appear as an item under the head of "Esplanade," but is charged to "Harbour expenses," and therefore not sufficiently disclosed for purposes of audit.

In 1907 the Board also purchased some land at Cape Foulwind, and between that date and the end of 1912 laid out and formed a pleasure-ground, including tennis-courts, football-grounds, and grounds for other games and sports, and bathing-sheds. On these works the Board has expended, under the heading of "Cape Foulwind Railway Reserve," the sum of £2,986 2s. 2d. This work is in no sense a harbour-work.

The total expenditure on these two items is £9,229 14s. 4d.

THE £200,000 LOAN.

62. The authority for this loan is contained in the Westport Harbour Board Loan Act, 1908. In support of this Bill, and prior to its being passed, plans of the proposed works and specifications of two dredges were submitted to the Government about the 16th March, 1908. Such plans were approved by His Excellency the Governor on the 7th July, 1908, and approval was also given of the purchase of two suction dredges of 1,000-ton hopper capacity.

Upon sheet 1 of these plans there appears a note of the estimated cost as under :—

" Estimated cost—	£
" 406,800 tons of stone to be used in extension of east and west breakwaters for a length of 600 ft., at 5s. a ton	101,500
" Two 1,000-ton hopper suction dredgers as per specification, to dredge to a depth of 40 ft. below water, at £40,000 each	80,000
" Contingencies, 10 per cent., say	18,500
" Total	£200,000."

The plan on which the above estimate appears shows an extension of 600 ft. on each breakwater. The cost per foot of the extensions works out at £84 11s. 8d. (excluding the items of contingencies and dredgers).

The diagram marked "A" in the appendix shows the position of the breakwaters and the proposed extension.

In 1891 the last 35 ft. of the western breakwater cost £119 per foot (the previous 230 ft. having cost £117 per foot), and the cost of the last 70 ft. of the eastern breakwater, which at the time was only a half-tide wall, was £42 per foot. This wall was afterwards raised to the height of the western breakwater, but, so far as your Commissioners know, the cost of the raising was not tabulated, and could not be obtained.

In 1891 the cost per ton of stone in the western breakwater was about 6s. 9d. per ton, and in the eastern wall 9s. 4d. In 1908 the cost per ton of stone probably would have been increased by a general increase in wages, and by the fact that stone was more difficult to obtain in the quarries.

The actual length of wall constructed out of the loan of 1908 from May, 1909, to October, 1913, has been 480 lineal feet on the eastern wall, and none at all on the western. The cost of this portion of the eastern wall has been £98,824, or at the rate of £206 per lineal foot, and at a cost per ton of stone of 9s. 4d. The total expenditure for the same period on the breakwaters out of this loan, including repairs to railway and plant, amounted to £102,848.

The following extracts are from the Engineer's reports in the balance-sheets for the different years during which the Board has been constructing the breakwaters out of the £200,000 loan :—

Balance-sheet, 1909.

" *Eastern Breakwater.*—This breakwater has now been extended to within 200 ft. of a point opposite the end of the west breakwater

" *Quarries.*—During the year 45,104 tons of quarry-material have been delivered at the east and west breakwaters and Cattle Wharf siding, at an average cost of 3s. 9½d. per ton, which includes the cost of developing Nos. 2 and 3 quarries and stonework at esplanade."

If the above figures are correct, the cost of 45,104 tons at 3s. 9½d. would amount to £8,551. The cost shown in the balance-sheet for that year of the "eastern

breakwater extension ” was £13,189, or at the rate of 5s. 10d. per ton ; but if office expenses be included the cost would have been £13,801 2s., or at the rate of 6s. 1d. per ton.

Balance-sheet, 1910.

“ *Eastern Breakwater.*—This breakwater has now been extended to within 77 ft. of a point opposite the end of the western breakwater . . .

“ *Quarries.*—During the year, 73,327 tons of quarry-material have been delivered at the east and west breakwaters and Cattle Wharf siding, at an average cost of 3s. 10½d. per ton.”

If the above figures are correct, the cost of 73,327 tons at 3s. 10½d. would amount to £14,188. The cost shown in the balance-sheet for that year of the eastern and western breakwaters only was £19,966 13s. 5d., or at the rate of 5s. 5d. per ton, but if other items in the balance-sheet properly chargeable to the account be added, the cost would have been £31,123 0s. 6d., or at the rate of 8s. 6d. per ton.

Balance-sheet, 1911.

“ *Eastern Breakwater.*—This breakwater has been extended to a point opposite the end of the western breakwater, the toe extending about 100 ft. outwards . . .

“ *Quarries.*—During the year 111,651 tons 16 cwt. of quarry-material have been delivered at the east and west breakwaters and east wave basin protection, and branch railway to Cattle Wharf, at an average cost of 3s. 10½d. per ton. This includes railway extension and maintenance, and a quantity of first-class stone broken out and available.”

If the above figures are correct, the cost of 111,652 tons at 3s. 10½d. would amount to £21,633. The cost shown in the balance-sheet for that year of the eastern and western breakwaters only was £23,779 0s. 11d., or at the rate of 4s. 3d. per ton, but if other items in the balance-sheet properly chargeable to this account had been included the cost would have been £25,117 11s. 11d., or at the rate of 4s. 6d. per ton.

Balance-sheet, 1912.

“ *Eastern Breakwater.*—This breakwater has been extended to a point 158 ft. ahead of the end of the western breakwater. . . .

“ *Quarries.*—During the year, 97,160 tons of quarry-material have been delivered at the east and west breakwaters, floating basin, and branch railway to Cattle Wharf, at an average cost of 4s. 0¼d. per ton. This cost includes railway-extensions, and also about four miles of reballasting and permanent-way.”

If the above figures are correct, the cost of 97,160 tons at 4s. 0¼d. would amount to £19,533. The cost shown in the balance-sheet for 1912 for the eastern breakwater (the western not having been mentioned) was £26,433 8s. 6d., or at the rate of 5s. 5d. per ton ; but if other items in the balance-sheet properly chargeable to the account had been included, the cost would have been £27,712 2s. 7d., or at the rate of 5s. 8½d. per ton.

The total output from the quarries for the four years 1909 to 1912 therefore was, according to the figures given by the Engineer in his annual reports under the headings of “ Quarries,” 327,142 tons of stone, at a total cost, including maintenance and repairs of railway and opening quarries, of approximately £63,903. The whole of this material did not go into the breakwaters. The expenditure from loan shown in the balance-sheets over the same period under the heads of eastern and western breakwaters alone amounted to £83,368 4s. 10d., while the total expenditure from loans on breakwaters, including plant, repairs, maintenance, engineering, and office expenses, amounted to £97,141 17s.

In the Engineer’s report in the balance-sheet for 1912 it is stated that 158 ft. of the eastern breakwater was constructed during the year, and required 350 tons of stone per lineal foot. This makes a total of 55,300 tons of stone used in the breakwater during the year. The average cost of stone according to the same report was 4s. 0¼d., which would make the amount spent on the breakwater approximately £11,117. According to the balance-sheet, however, the sum of £26,433 was expended on this breakwater.

The following statement summarizes the foregoing analysis :—

Year.	Figures as per Engineer's Annual Reports.			Figures from Board's Balance-sheets, Special Fund Account (£200,000 Loan).			
	Tons of Stone quarried.	Rate per Ton.	Total Cost (calculated).	Items charged as Breakwaters.		Total Expenditure on Breakwaters, including all Items.	
				Total Cost.	Rate per Ton (calculated).	Total Cost.	Rate per Ton.
		s. d.	£	£	s. d.	£	s. d.
1909	45,104	3 9½	8,551	13,189	5 10	13,801	6 1
1910	73,227	3 10½	14,188	19,967	5 5	31,123	8 6
1911	111,652	3 10½	21,633	23,779	4 3	25,118	4 6
1912	97,160	4 0¼	19,533	26,433	5 5	27,712	5 8½
Totals, &c. ..	327,143	3 11 (average)	63,905	83,368	5 1 (average)	97,754	5 11½ (average)

From a return furnished by the Secretary on the 17th October, 1913, of the cost of the eastern breakwater from May, 1909, to October, 1913, it appears that for a length of 480 ft. there were used 211,662 tons of stone at a cost of £98,824, or at the rate of £206 per lineal foot, or at an average cost of 9s. 4d. per ton; but if other items properly chargeable to the account be added, the cost becomes £108,278, or at the rate of £225 per lineal foot, or an average of 10s. 3d. per ton.

EMPLOYEES.

63. The work of the office has been carried out economically. The number of employees in the Harbourmaster's department has not been excessive. The floating plant (dredges, tugs, &c.) are fully manned, but are inefficiently worked, and therefore are overstaffed as compared with the results obtained.

There is no evidence to show that the quarries have been overstaffed, but it was stated that had the work been under private control a more suitable class of labour would have been employed, consequently with better efficiency. The quarry supervision has been defective, with the result that an excessive quantity of small stone has been sent to the breakwaters instead of the larger class of stone required to ensure the stability of the work.

Owing to the unsuitability of some of the men employed, and the absence of proper methods in handling the stone at the tip-head of the breakwaters, this portion of the work has not been efficiently performed.

Although, owing to the heavy loading of the stone-trucks and their short wheel base, the cost of maintenance of the Cape Foulwind line would be greater than that of the Government railways, the cost has been very much greater, chiefly owing to the large number of men employed and the inefficiency of some of them, and the result obtained has been less satisfactory than on the Government railway. The recent reballasting and relaying of the line was carried out in an extravagant manner, and at a much greater cost than similar work would have cost on the Government railway. The running staff on the Cape Foulwind line does not seem to have been excessive in its numbers.

The engineering workshops are fully, if not over, manned, and are not properly equipped so as to enable the work to be carried out economically. Higher wages have in some cases been paid than are current in the adjacent Railway Workshops for similar work.

The men engaged upon construction-work and repairs have not in many cases been kept fully employed, owing to delays in the delivery of material; and in consequence of the unsuitability of the men employed and the want of organization, the result of their labour has been unnecessarily costly.

The office of storekeeper under the existing conditions is quite superfluous, although the present holder of the office has carried out his work efficiently.

There is little or no evidence that there has been direct interference by individual members of the Board in the employment of labour, but the minutes of the Board show that in many cases the Engineer was instructed to find employment for certain applicants.

The evidence of the various foremen shows that they had not a free hand in obtaining suitable labour or in discharging men whom they found to be unsuitable, and from the large number of elderly and inefficient men employed by the Board it is clear that the management of the Board has been detrimental to economy of work.

In some cases the rates of wages were higher than those paid in the district for similar classes of work.

In connection with the assignment of wages, the Board has accepted from the workmen receipts in full, instead of paying to the assignees the amounts of their respective orders, and the irregularity has been further encouraged by accepting orders for deductions upon wages as yet unearned.

We found that one of the quarry foremen was also the proprietor of one of the two licensed hotels at Cape Foulwind.

CONTRACTS FOR SUPPLIES.

64. At the beginning of 1912 the Board, after competition by public tender, let a contract to Martin and Co. for the supply of iron and steel at £11 9s. 3d. per ton. The contractors applied to the Board to have the rate increased by the amount of £2 per ton, upon the ground that the market rate for this material had risen. The Finance Committee of the Board recommended that this application should be granted, and the Board adopted that recommendation, but stipulated that if the price should again fall during the currency of the contract a corresponding reduction in price should be made. The members of the Finance Committee were on this occasion Messrs. Griffiths, Scanlon, and Hansen, and the Board's resolution adopting the proposal was seconded by Mr. Scanlan. The Secretary stated in evidence that similar alterations in contracts had been previously made. A few months later, when application was made by a Wellington firm to be paid the sum of 13s. duty on timber supplied which by an oversight had been omitted from their contract price, the Board declined to make the allowance, and decided that the contract be adhered to, on the motion of Mr. Hansen, seconded by Mr. Scanlon. Mr. J. Scanlon, the member of the Board, is a brother of a member of the firm of George Martin and Co.

Although the works of the Board have been made more costly through delay in the supply of ironbark and other materials under contract, the Board have not taken proper steps to have the contracts enforced.

METHODS OF CONDUCTING BUSINESS

65. The meetings of the Finance Committee have not been held regularly or systematically. The business was not properly recorded by minute. The financial condition of the Board was not ascertained by such Committee, and, as a rule, their business was restricted to the examination of such accounts as were submitted to them for approval, and this work was done by individual members of the Committee independently and not conjointly.

No agenda paper was presented to the Board showing the business to be transacted, and only such correspondence as the Chairman approved or selected was brought under their notice. The reports of the Engineer and others were adopted by the Board without reference by minutes to their contents, and without the adoption of any means of subsequent identification. For many years, but not lately, the schedule of accounts passed for payment by the Board were not totalled. Cases have been noticed in the minute-books where the schedules of payments have been added to and amended, showing a lax method.

The Board have not systematically exacted from their responsible officers sufficient information to enable them to keep an intelligent grasp of the con-

duct of the business under their control; nor have they exercised that scrutiny over such information as was received as would enable them to check the progress of the works and their cost, and of the beneficial results obtained therefrom.

HARBOUR LIGHTS AND SIGNALS.

66. In the opinion of those master mariners trading to the port whom we examined, the principal harbour light (port light) is neither sufficiently powerful nor distinctive in character. It is frequently indistinguishable from other lights in the town.

In the daytime, and particularly on misty mornings, the harbour signals are not visible owing to the position of the signal-station and the natural background. It has been suggested that the port light should be occulting, and that the signal-station should be made more prominent. Those defects have been made known to the Board, but have not been remedied.

BOARD'S ASSETS.

67. Under section 178 of the Harbours Act, 1908, after audit a statement had to be made of the assets and liabilities of the Board, and since the passing of the amending Act of 1910 an account has to be supplied of all the Board's available assets and all debts. In pursuance of these directions the Board have attached to their annual statements a statement of assets and liabilities, the first portion of which deals with cash only. The second portion is headed "Estimated," and gives in pounds sterling, only in respect to structures generally, amounts approximating to, but being less than, the respective amounts that have been expended on the several items. In the case of floating plant, locomotives, cranes, &c., an allowance since the year 1904 has been made for depreciation, but not previously. No depreciation has been made upon any of the structures or other implied assets. The Secretary has explained that the reason for stating the values of such structural assets in this manner, instead of quoting the exact ledger balances, is that they were all arranged under the desire and authority of the Audit Department many years ago, as they preferred the round sum.

The Deputy Controller and Auditor stated that the only requirement of the Audit Department has been, and still is, that stated values of assets, which are matters of opinion as distinguished from fact, must be prefixed by the word "estimated," and expressed the view that in such cases it would be better to quote the exact ledger balances. The preparation of the successive statements of assets has been made under a misapprehension.

With comparatively unimportant exceptions, the whole of the structural items shown as assets are constructed upon Crown lands not specially reserved or otherwise vested in the Board. Further, a large portion of these assets are under the control of and in the occupation of the Railway Department.

COAL-BORING.

68. Under the Westland and Nelson Coalfields Administration Amendment Act, 1901, the Board was given power to apply its funds not exceeding £1,000 in any one year "in prospecting for coal on its endowments." This clause appears to be inoperative, as the Board has no landed endowments, although it is endowed with the revenue from certain lands.

Under the Westport Harbour Amendment Act, 1912, the Board was empowered to expend an amount each year not exceeding £2,000 "in boring for coal on any part of its endowments, or on any unoccupied Crown lands within the County of Buller." In pursuance of these authorities, the Board expended during the year 1912 the sum of £882 17s. 8d., and to the 31st March last a further sum of £552 3s. 5d. A borehole has been put down on the west side of the Waimangaroa River, near the sea, without result, at a site which the Board states was recommended by the Government Geologist. Mr. Morgan attributes the want of success to "the wrong class of machine being used, and their not having a sufficiently high-grade man in charge of the operations." His view is confirmed by Mr. Read, the Government Inspecting Engineer of Mines.

PROBABLE LIFE OF BULLER COALFIELDS.

69. The Government Geologist has stated that the known amount of extractable bituminous coal now remaining in the Buller Coalfields, of which Westport is the natural outlet, on an optimistic estimate, is 69,000,000 tons, of which a large portion is soft and friable, and therefore not mined to any great extent at present.

The coal shipped from Westport in 1912 was 820,000 tons. There are also unproved beds of brown coal in the Inangahua Valley, and near Charleston. From a paper read by Mr. Morgan before the Australian Institute of Mining Engineers this year he states: "It is likely that the proved coal resources of the Dominion will be practically exhausted within a hundred years, and if the present wasteful methods of extraction continue the end of the higher-grade coals at least will be in sight much sooner." In evidence given to the Commission he gives the life of the Buller Coalfield as from forty to fifty years.

FLOATING BASIN.

70. In the year 1906 plans were approved and work started upon the construction of a floating basin on the eastern side of the river, having an entrance at the lower end of the crane wharf. Messrs. Darley and Holmes in their reports have suggested modifications, differing in themselves, to the design on which the work has been commenced, and work on the basin is not being actively pushed forward.

No adequate scheme of railway accommodation for working the coal traffic at the basin has been prepared, and the Board has not taken steps to secure the necessary land abutting on the basin that would be required for railway-yards. Up to the 31st March last the sum of £57,939 has been expended in partial dredging of the area and on wharf-construction with reinforced-concrete piles in connection with this proposed basin.

Upon the foregoing facts we are able to answer the questions submitted to us by Your Excellency as follows:—

Question (a): "*Has the administration in the past been satisfactory?*"

In our opinion the administration in the past has not been satisfactory, and in particular in regard to the matters above set forth under various headings. In making this statement we have not lost sight of the fact that we are reviewing the operations of successive Boards extending over a long period of years, and that we do so with the experience resulting from their operations. In view of this we have to a large extent discounted or modified the inferences that might have been drawn from the facts placed before us, and have endeavoured to place the facts before Your Excellency in an impartial manner. Some of the matters to which we have referred call for special comment.

1. The expenditure of the Board, whether from loan or from revenue, has not been watched with that amount of care that should reasonably be expected from any Board entrusted with the expenditure of public moneys. The members of successive Boards have appeared not to have realized that they were trustees acting under statutes, and they failed to realize the essential fact that their duties under that trust were to administer the funds in the interests of the Dominion, and not primarily in the interests of the people of Westport. For example,—

(a.) In so far as general traffic is concerned on the Cape Foulwind Railway, the interests of the district have been considered rather than the objects of the trust. More labour has been employed in its maintenance than was necessary, high rates of wages have been paid, excessive passenger-train mileage has been run without benefit to the works, the tariff rates were too liberal, and some of them were not properly enforced. Sidings have been constructed by the Board for private individuals without payment or rental.

- (b.) The coal shipped over the wharf did not bear for some twelve years the charge which Parliament had determined it should contribute towards the repayment, with interest, of the moneys expended in forming the port and railway through which it was shipped; and, further, since the rate has been collected it has been applied in substitution for, and not in addition to, the contribution towards the sinking fund properly chargeable to the Board's ordinary revenue.
- (c.) The manner in which the operation of dredging has been conducted, and in particular the hours worked, has been more in the interests of the workmen than of benefit to the port.
- (d.) The loan of plant, with or without payment, or with insufficient payment; the sale, gift, or loss of material, old or new, was controlled solely by local, and in some cases personal, considerations.
- (e.) The enforcement of contracts within contract time was lax, and resulted in benefits to contractors and local agents.

2. The method of recording the results of the deliberations of the Board has not been satisfactory in that it has been found to be impossible to trace through the minutes the history of important transactions.

There is an almost complete absence of information relating to the physical conditions and variation of the river with respect to its flood-levels and transport of shingle. This information is indispensable in harbour-works of the character of those at Westport.

There has been an absence of systematic and periodic soundings outside the harbour and in its entrance, with the result that the history and changes of the littoral drift have not been recorded.

Where local authorities carry out their works by contract there are necessarily records and data from which the progress and cost can be measured, but in the case of the Westport Harbour Board, whose works have been carried out by day-labour, there have been no corresponding records and data kept.

3. With regard to the purchase of the dredge "Rubi Seddon," the evidence and files placed before us show that the Board did not conduct the transaction with the amount of prudence that reasonable business men would have brought to bear in the conduct of their own affairs. In the first place, their original instructions and specifications for the dredge were framed in such a way that only one firm could tender, and, in fact, instructions were given to ask for prices from only one firm. When the dredge arrived at Westport it was found that she was not built in accordance with the specification, because she would not lift stones of the size specified. The Board's attention was drawn to this fact by their Engineer, Mr. Young. By this time, however, the Board was precluded from rejecting the dredge because they had accepted delivery at Wellington through their agents, the Railway Department. But it appears to us that the Board was negligent in not endeavouring to force its claim against the makers for breach of warranty.

4. The Board was imprudent, firstly, in not fully settling the design with the Railway Department for the sidings surrounding the floating basin, and making adequate provision for the necessary land; and, secondly, in not ascertaining the cost of such equipment and land, and adding it to the estimated cost of the floating basin upon the plan submitted to His Excellency the Governor for the purpose of obtaining his approval of the work.

5. In forming a recreation-ground and an esplanade and disguising them in their accounts under the names of "Cape Foulwind Railway Reserve" and "harbour-works" respectively, the Board were blameworthy, and were negligent in not obtaining a full design and an estimate of the cost of the esplanade and in not ascertaining whether these works were harbour-works within the scope of their authority. The minute of the Board's resolution authorizing the formation of the esplanade was calculated, if not intended, to mislead. The Board did not watch the expenditure on these works, with the result that £9,229 14s. 4d. was expended without the Board having realized the extent of the expenditure.

Question (b): “*Have the works been carried out with economy?*”

This question to some extent overlaps the former one (a), and the answer naturally follows as a corollary. The Board's works have not been carried out with economy. The bulk of the evidence with regard to extravagance has been limited to the last fifteen years. The manner in which dredging was carried out, as set out in paragraph 1 (c) in the answer to the previous question, of necessity entailed a considerable waste of money in wages and other expenses. The failure to enforce contracts, to which reference is made in paragraph 1 (e), also entailed considerable waste, especially in the construction of the floating basin.

The overstaffing of all the works, the employment of old men, some of whom were past doing a fair day's work, and the payment of a higher rate of wages than elsewhere obtainable, all tended to make the works of the Board unnecessarily expensive.

Question (c): “*Has the Board in the past taken reasonable care that the land reclaimed at the Board's expense should not be alienated from the Board's control?*”

In answering this question we have to point out that the Board has not directly reclaimed land except to an insignificant extent, and then only in immediate connection with their structural works. These lands have not been alienated from the Board's control.

Indirectly, however, land has been made by accretions to the coast-line resulting from the works of the Board. There is a conflict of evidence regarding the extent of these accretions, but we are satisfied that a considerable area has been gained upon what is known as the South Spit. This spit, with its accretions, from its position and the fact that important works of the Board are there situated, ought to have been acquired by or reserved to the Board for harbour purposes. A reference to the facts relating to this land, as set out on pages 17 to 19, will show that the land has passed out of the Board's control without reservation of any rights to the Board. In our opinion the Board should have been aware of the importance of acquiring control over this land. It is clear from the facts that the Board was not officially made aware of or consulted in regard to the application upon which the present title to the land was granted. The applicant for the land was a member of the Board, the solicitor who acted for him was solicitor for the Board, and other of the Board's officials were cognizant of the application, but, with the exception of Mr. Sinclair, they made no attempt to preserve the interests of the Board.

Question (d): “*Under the existing method of levying wharfage rates or dues, is the burden of responsibility of maintaining the port borne equitably by those concerned?*”

Upon this question little or no evidence was forthcoming, beyond some expression of opinion as to whether the port should be free, either in whole or in part. The amount of revenue derived from wharfage rates or dues is small in proportion to the endowed income of the Board. We recommend that the charges for wharfage and labour levied at Westport by the Railway Department be revised so as to reduce them where they are in excess of those chargeable at other railway ports.

After consideration of the slight evidence that was brought before us, and on comparison of the charges made elsewhere on ships in coaling-ports, and in view of the large revenue derived by the Board from the principal export—coal—we are of opinion that no alteration in the amount of dues derived from ships should be made, or in the rates charged on coal.

Question (e): “*The system which has been adopted in connection with keeping accounts of the detailed cost of work of construction and of maintenance.*”

The Board have kept their accounts upon a system of double entry. This system would have been satisfactory if the headings had been sufficient and

the items properly separated and extended. This has been inefficiently done, with the result that the cost of separate parts of the works cannot be ascertained. A serious disadvantage that arises from extensive grouping under general heads is that the nature and cost of any particular work may be disguised or concealed.

Question (f): "*The method of keeping the trading accounts of the Board.*"

The method of keeping these accounts is altogether unsatisfactory. Such accounts should properly be entered in the ledger, and the amounts thus shown to be due should appear as credits in the balance-sheet.

The Board seems to have been unaware of the number of these accounts, and the extent to and manner in which this trading has been carried on. Closer supervision by responsible officers should be exercised in the sale of old plant and material, and a proper system should be introduced and carried out whereby such sales would be brought into account in the books of the Board. The extended credits that appear to have been given ought to be discontinued in favour of a system of cash payment.

Question (g): "*The suitability or otherwise of the present facilities for loading coal.*"

Two methods of loading coal are in vogue—(1) by means of steam cranes, and (2) by means of staiths. The first is a satisfactory system, and the existing facilities are ample for the present trade of the port, or possibly for some increase thereon. The second method is obsolete and very little used, and in our opinion should be superseded by further crane accommodation as required by the development of the trade.

Question (h): "*Is the construction of the floating basin or permanent slipway necessary, and, if so, is it an urgent work?*"

This work is, in our opinion, not necessary, and therefore not urgent. From the experience of the port the risk to shipping from floods in the river has not been found to be so great as to warrant the construction of the basin as a refuge. In view of the estimated life of the coalfields, and the probabilities of the increase of the coal trade, there is ample accommodation for shipping upon the river-front, particularly if the staiths are removed and a wharf substituted with crane equipment. The floating basin will not make the river more easy to navigate, and systematic dredging will keep the river navigable for vessels of deeper draft than are at present plying to Westport. The construction of a permanent slipway, either by itself or in conjunction with a floating basin, is not warranted. The natural conditions prevailing at Westport render it highly improbable that vessels trading to that port would use the slipway except in case of accident. The smaller vessels of the Board's flotilla can be accommodated upon the gridiron as in the past, and the annual cost of taking the larger vessels to another port is not sufficient to justify the proposed expenditure upon a slipway.

Question (i): "*As to whether the conditions of the endowment provided under subsection (2) of section 7 of the Westport Harbour Board Act, 1884, should be revised.*"

In considering this question we beg to point out to Your Excellency that the Board has under statutory authority from time to time pledged its endowments, of which this is a part, as a security for all its loans. In view of this fact it will be necessary in any proposed revision of this subsection to consider whether the bondholders will be injuriously affected in respect of their securities. We believe that some change is necessary in the control of the huge income arising from the Board's endowments. This change might take one of the three following forms:—

- (a.) The Government might, with the consent of the bondholders, guarantee the whole of the loans now secured upon the endowments of the Board.

- (b.) To set aside the whole or a portion of the surplus income of the Board, after discharging its current obligations and providing for reasonable additions to harbour-works, in order to provide a further sinking fund in addition to those already existing until the combined sinking funds are sufficient to satisfy the claims of the bondholders and secure the interest on the loans.
- (c.) Without permanently interfering with the security of the bondholders, place a duty upon the Board to appropriate its surplus income towards recouping the Dominion the capital expenditure made by the colony on the works mentioned in the said subsection.

In the event of the adoption of either of the above suggestions (a) or (b) we are of opinion that the subsection might be revised. If suggestion (c) should be adopted the diversion therein suggested should cease if at any time the Board finds itself unable to meet its obligation to the bondholders, thus preventing any depreciation in the security, as the Board's income is principally expended upon works which form no part of the security of the bondholders.

We feel it our duty to emphasize the fact that any revision of this subsection must be made with due regard to the rights of the bondholders.

It has been shown to us that in ascertaining the cost of working the railway referred to in the subsection, interest on the capital sum originally expended by the colony has not been charged. It appears to us that this interest might in the future be a legitimate charge in arriving at the working-expenses.

In connection with the creation of a sinking fund to meet the obligations charged upon the endowments of the Board, it may not be inopportune to suggest here that the question should be determined whether the special coal rate mentioned in section 12 of the Westport Harbour Board Act, 1884, should not be applied in addition to, and not in partial substitution for, the obligation to contribute to a sinking fund provided for by the debenture.

It has been advocated that the Railway Department should give to the Harbour Board more detailed information with regard to the working-expenses of the railway to which this subsection refers, and we beg to refer this matter to Your Excellency's favourable consideration.

Your Excellency further commissioned us as follows: "Generally to inquire into and report upon such other matters as may come under your notice in the course of your inquiries, and which you consider necessary to investigate in the public interest."

Under this head we have inquired into the following matters:—

1. *The Probable Life of the Coalfields in the Neighbourhood of Westport.*

This is to a large extent a matter of estimation rather than one capable of exact demonstration. A reasonable estimate of the life of the mines at present in work places it between forty and fifty years at the present rate of output. New mines which may be opened may increase the output and prolong the life of the industry, but upon the best information available to date the end is within measurable distance. These facts must be taken into account in any future policy of the Harbour Board. The question is also one of considerable importance to Your Excellency's Responsible Advisers in considering to what extent foreign export trade should be encouraged. Representations were made to us that it was the duty of the Westport Harbour Board to encourage an overseas export trade in soft coal for steamer-bunkering purposes, but as this question is of national importance and was not specifically submitted to us we did not feel justified in undertaking an investigation of such magnitude under a general direction; nor do we feel in a position to make a recommendation further than to draw the attention of Your Excellency to the importance of the question, and to advise that a full inquiry should be made before any such trade is encouraged. It has been stated to us that a

25-per-cent. rebate on the railway charges has been made upon coal shipped to places beyond the Dominion. We recommend for the consideration of Your Excellency's Responsible Advisers that the matter of this rebate should be carefully considered with a view to its discontinuance.

The Westport Harbour Board has authority to expend money in prospecting for coal, and some prospecting has already been done by the Board, but for various reasons the results have not been satisfactory. After due consideration we are of the opinion that the question of prospecting for coal and the opening up of new coalfields is outside the legitimate functions of the Harbour Board, and that such work, if undertaken, could be more successfully and profitably carried out by the Mines Department. Inasmuch as the revenue derivable from such discoveries and extensions within the Board's endowments would be paid to the Board, it is reasonable that the cost of prospecting within such endowments should be a charge upon the Board's revenue.

2. *Loans and Board's Assets.*

Under this head we desire to draw attention to the method pursued by the Board in the past in obtaining parliamentary sanction to raise loans, and the information afforded by the prospectuses upon which such loans are floated. Our observations are based mainly upon the circumstances attending the loan of £200,000 raised in 1909. It appears to us that the Board did not ascertain and lay before Parliament an accurate and satisfactory estimate of the cost of the works proposed to be constructed out of that loan, and the result has shown that a very small portion of the proposed work of breakwater extension has been completed, whereas the amount of the loan apportioned to that part of the work is all expended. If it is necessary that the proposed works should be finished a further loan will be required. Parliament, relying upon the estimate placed before it, passed an Act in expectation that the sum sanctioned would be sufficient for the work proposed, whereas a correct estimate, judging by the results achieved, would have shown that more than double the amount was really required. We believe that correct estimates could have been obtained, and Parliament could have been properly informed if the Board had made suitable investigations at the time, whereas the estimates that were submitted were either wilfully inaccurate or prepared with inexcusable negligence.

It has been suggested that because the Marine Department is required to sanction the plan of any proposed works the blame for any errors in the design of the works, or for any underestimate of cost, lies with that Department. We are satisfied that there is no obligation on the Marine Department other than that placed on it under the Harbours Act when approving plans to be satisfied that the proposed works appears not to be or tend to the injury of navigation, nor has it undertaken, either directly or indirectly, any responsibility outside its statutory duty.

It is doubtful whether the prospectus issued for the purpose of floating the £200,000 loan contains all the information upon the Board's existing liabilities and its available assets.

The Board, in preparing its balance-sheets, with the sanction of the Audit Department, includes as assets their several harbour-works, which are not available assets in any commercial sense. The harbour-works shown as assets more properly represent the expenditure by the Board in their construction. In representing the value of available assets due provision should be made for depreciation. We recommend, therefore, that the form of the Board's balance-sheet should be reconstructed.

3. *Travelling-expenses.*

This question is one that in the past has provoked a considerable amount of controversy. We believe that it would be advisable to consider the whole question of travelling-allowance, and by means of regulation to place the matter upon a definite and more satisfactory basis.

4. *General Constitution of the Board.*

The natural features of the Westport Harbour are such that the execution and maintenance of harbour-works require very special expert knowledge, in addition to which its revenue is a national endowment. We are therefore of opinion that this harbour should be placed under the control of specially selected Commissioners having expert knowledge. Our reason for making this recommendation is that the experience of the past has shown it to be beyond expectation that members can be selected from a limited population possessing the requisite qualifications.

If, however, a Board is to continue in existence, its constitution should be amended in the direction of substituting a more national representation of the several interests affected by the harbour and its works, and we would then recommend a nominated Board, consisting of six members, representing the following interests, viz. :—

- (1.) The coal-mining interest;
- (2.) The shipping interest;
- (3.) The Railway Department;
- (4.) The merchants, as represented by the payers of dues on goods;
- (5.) The Borough of Westport and surrounding district;
- (6.) A statutory Judicial Chairman.

5. *Future Operations.*

With as little delay as possible the following matters should be attended to :—

- (a.) The extension of the eastern breakwater now in progress should be discontinued as soon as it can be made secure from injury at the outer end.
- (b.) At the floating basin the 600 ft. of wharf at the entrance now in course of construction should be finished; otherwise all work at the floating basin should be stopped.
- (c.) The Cape Foulwind Railway and the Railway Workshops should be taken over and worked by the Railway Department.

Whether the constitution of the Board be altered or amended, or remain as at present, the following matters should receive attention :—

- (d.) As to whether the western breakwater should not be extended to be coterminous with the eastern breakwater on a line normal to the set of the sea.
- (e.) That a more distinctive port light should be substituted for that at present in use.
- (f.) That a more systematic method of working the quarries should be adopted in order to obtain a supply of a better class of stone.
- (g.) That the working of the dredges should be arranged to suit tides and favourable conditions, to the end that the plant may be fully and economically employed.
- (h.) That the staiths be removed and the crane wharf be extended in place thereof.
- (i.) As to whether the current now projected against the staiths should be modified by an alteration of the alignment of the upper end of the western training-wall and by dredging in connection therewith.
- (j.) That the Board secure the reservation for harbour purposes of the unalienated Crown lands abutting on or adjacent to the harbour and harbour-works, and also of the Crown lands alienated by way of lease or license subject to the existing leases or licenses, and securing rights of access to existing works.

If an expert Commission as above recommended be set up to manage the Harbour of Westport, the points set out hereunder should receive immediate attention and careful consideration; and if it be determined that the manage-

ment of the harbour be still left in the hands of a Harbour Board, provision should be made that the Board obtain suitable expert advice on such points:—

- A. There should be obtained full hydrographic particulars of the Buller River and watershed, with a view to a reduction of the gravel-supply by the modification of the flood currents. There should be considered either the possible use of the Orowaiti overflow as a means of carrying off a portion of the flood-water to assist in the reduction of the velocity of the current of the river, or the temporary retention of the whole of the flood-waters as a means of securing scour.
- B. A comprehensive scheme of dredging within the river limits and on the bar should be considered, including the question of whether larger dredges should be employed, and of what class. It should also be considered whether the dredging within the river limits should not include the reduction of the river-bed to suitable gradients.
- C. In order to determine the amount and rate of the littoral drift, information should be obtained by systematic soundings of the bar and roadstead at more frequent intervals, and particularly after each disturbance.
- D. That if the breakwaters be made coterminous, careful observations be made upon the effect on navigation and on the depth on and the position of the bar, with a view to ascertaining whether either or both of the breakwaters should be extended, and to what length, and with what constriction of the waterway, if any.
- E. That so soon as full observations shall have been made and data obtained, calculations be made by some competent authority as to the probable effect on the flood levels in the tidal compartment due to the constriction or otherwise of the harbour-mouth if the breakwaters be further extended, and also as to whether the existing tidal compartment should not be enlarged or further encroachment thereon prevented.

Finally, we have to inform Your Excellency that, pursuant to the authority in that behalf contained in section 11 of the Commissions of Inquiry Act, 1908, we passed the following resolution:—

“That as this inquiry was undertaken at the request of the Westport Harbour Board, and the said Board was duly cited as a party, the costs of and incidental to the said inquiry be borne and paid by the said Board to the extent following, that is to say: the said Board to repay to the Marine Department the amount of the Commissioners’ fees and expenses, and all other charges, costs, and fees paid by the Marine Department in connection with the inquiry, except the fees and expenses paid to Mr. A. T. Maginnity, the counsel appointed to represent the various Government Departments; and that the said Board do further pay the sum of £15 15s. to Mr. F. F. Munro, the Chairman of the said Board, to cover his expenses in attending before the Commission on behalf of the Board at Westport and Wellington, and the sum of £15 15s. to Mr. Charles N. Greenland, the Secretary of the Board, towards the expenses he may have incurred in connection with the said inquiry.”

And we do order the said fees, costs, and expenses be paid by the said Board accordingly.

Given under our hands and seals, at Wellington, this tenth day of November, one thousand nine hundred and thirteen.

J. S. EVANS, Chairman.
WILLIAM FERGUSON, Member.
GERALD FITZGERALD, Member.

