

like that of 1910, and estimated by them to cost at that date £130,000 only, should not be lightly set aside. It is understood that the very large increase in the estimated cost of the scheme (£625,000 as against £130,000) is due partly to an alleged underestimate on the part of the 1910 Commission, partly to increased costs now prevailing owing to the war, and partly to changes in design.

It is to the latter of these three causes that the Commission considers the attention of the principal engineering experts of the Department should be directed, and if a careful restudy is made of the matter we cannot but think that some middle course will be found to be practicable that would reduce the cost of the scheme to possibly £400,000 or £450,000. If such a reduction can be made it certainly should be made, and so greatly ease the burden to be borne by the several contributors.

The experts should also consider whether the lands to be protected are in all cases worth the cost of protecting them, or whether it would not involve less expense in some cases to buy out the affected lands and to sell them again with an acknowledgment that they are subject to flooding.

2. The abandonment of the works in their present condition would be disastrous. Not only would the very large expenditure that has taken place upon them (well over £200,000) be wasted and lost, but also there would be grave danger of the works in their present unfinished state causing injury instead of benefit to the adjoining farming-lands, with the consequential liability to pay compensation to the landowners affected. Moreover, the payment of interest and sinking fund on the amount already expended cannot be avoided under any circumstances, even if the work is immediately discontinued and abandoned, so that one-third at least of the ultimate charges involved in completing the scheme must be met, and that without any corresponding benefit ensuing. Furthermore, if the works are not completed very little land will be safeguarded, and consequently very little could be rated, and the Government would therefore be left to find practically all the interest. This would involve, so far as the Government is concerned, an annual charge of but little less than if the works were completed and the interest and sinking-fund charges allocated as recommended herein.

3. The only other alternative is for the Government to grant additional assistance by agreeing to bear a larger proportion of the interest, sinking-fund, and maintenance charges. This course seems to the Commission to be the only practicable one; and although in a time of financial stress it may entail unlooked-for and unwelcome liability, it must be conceded that the State has on other occasions assisted local public works connected with mining and other enterprises to a much larger extent than originally contemplated in the present case.

LOCAL MONETARY ASSISTANCE ONLY REASONABLE.

It is quite fair and reasonable that the local residents whose properties will be benefited by the improvement-works should contribute towards the expense involved in providing such benefit, and it is equally fair that the district enjoying special freight advantages, and which are consequently greatly interested in maintaining and improving the navigability of the Waihou River, should provide their quota, and similarly districts from which river sands and silts drain into that river.

To assess these quotas equitably will be a work of some difficulty, and to assess or classify them in detail—viz., the different rates per acre which each class of land should carry—is quite beyond the functions of the present Commission, but counsel for a number of the local authorities interested (Mr. Porritt) stated, “We do not suggest for a moment that any of the landowners or any portion of the district receiving benefit should escape its share of the burden. That has never been suggested. We submit that if the district as a whole carries one-half of the residue it will be carrying what it can fairly be expected to carry.” The word “residue” as Mr. Porritt used it meant all moneys that had to be provided over and above the contributions of the mining interests. Assuming, therefore, that the mining interest provides one-fourth of the amount required, it would mean that the other three-fourths would be borne by the settlers and the Government in equal proportions.