

SESSION II.
1921.
NEW ZEALAND.

THAMES HARBOUR COMMISSION

(REPORT OF).

Presented to both Houses of the General Assembly by Command of His Excellency.

To His Excellency the Right Honourable John Rushworth, Viscount Jellicoe, Admiral of the Fleet, Knight Grand Cross of the Most Honourable Order of the Bath, Member of the Order of Merit, Knight Grand Cross of the Royal Victorian Order, Governor-General and Commander-in-Chief in and over His Majesty's Dominion of New Zealand and its Dependencies.

MAY IT PLEASE YOUR EXCELLENCY,—

Your Excellency's Commission, dated the 9th March, 1921, directed us to inquire into and determine the following matters, that is to say,—

- (a.) Whether any, and if any, then what, areas shall be added to or excluded from the Thames Harbour District.
- (b.) What amount of rates shall be leviable upon the various properties within the respective areas comprised within the Thames Harbour District.

Your Excellency's further Warrant, dated the 31st May, 1921, extended the time within which we were required to furnish our report to the 31st July, 1921.

The Commission assembled at Thames on the 21st June, 1921, upon which day the inquiry was formally opened in the Miners' Union Hall. The taking of evidence at Thames continued until the 24th June, when the Commission adjourned to Morrinsville, where evidence was further taken until the 29th June, when the Commission returned to Thames and received further evidence on the 1st July. The Commission then proceeded to Auckland to review the evidence and prepare its report.

During the course of its investigations the Commission examined forty-seven witnesses. The proceedings were open to the public, and were fully reported in the daily newspapers.

The parties represented before the Commission were :—

The Thames Harbour Board, represented by Mr. E. J. Clendon, solicitor, Thames.

The Thames Borough Council, represented by Mr. G. J. Garland, solicitor, Thames.

The Morrinsville Town Board, represented by Mr. E. McGregor, solicitor, Morrinsville.

The Ohinemuri County Council and the Paeroa Borough Council, represented by Mr. J. L. Hanna, Solicitor, Paeroa.

The Hauraki Plains County Council, represented by Mr. E. Walton, solicitor and County Clerk, Ngatea.

The Matamata County Council and the Matamata Town Board, represented by Mr. S. Lewis, solicitor, Cambridge.

After argument it was decided by the Commissioners that the Thames Harbour Board should open the inquiry and call witnesses, with the right of calling rebutting evidence, if necessary.

Although it was not within the scope of the inquiry, the Commissioners deemed it expedient to investigate the scheme of harbour-construction, and works connected therewith, contemplated by the Thames Harbour Board, and to take evidence as to the nature and extent of the harbour-works intended to be carried out by them. It was necessary for the Commissioners to be well informed on these matters to enable them to appreciate many of the reasons assigned by opponents to the inclusion of certain areas within the Harbour Board District. Mr. Blair Mason, an experienced harbour engineer, had been engaged by the Harbour Board to furnish them with designs and estimates for the construction of a harbour at Thames, and comprehensive plans and specifications prepared by him were submitted for the Commissioners' inspection and information. These plans and specifications, and further details of the Board's intention, were more fully explained by the Board's Engineer, Mr. E. F. Adams, C.E., of Thames. Many of the objections placed before the Commission to the rating of lands for harbour purposes were based on the doubts of the witnesses that the proposed harbour, owing to its situation, to the nature of the sea-bottom, and its constant exposure to silt brought down by the Thames River, was impracticable. Other objections raised were the uncertainty of visits of large vessels and the inferior shipping facilities, the loading of ships having to be done by lighters. No engineer or other expert witness was called in support of these contentions, and in our opinion the soundness and practicability of the scheme were not to any extent impugned. The Commission, therefore, in considering the matters on which they are directed to report, assume the practicability and success of the Board's proposed undertaking.

In dealing with the question as to what areas of land should be included within, or excluded from, the harbour district, your Commissioners have been materially assisted by plans prepared by the Harbour Board's Engineer, showing the entire district comprised within the so-called Thames Valley. This district as a whole is in a very prosperous condition, its chief products being butter, cheese, and dried milk. The value of these manufactured goods was, for the last twelve months, £2,250,000, besides which minor industries are carried on, such as timber-milling, sheep-farming, and cattle-rearing. It is estimated that from one-quarter to one-third of the entire production of the district is consumed within the Dominion, the balance being exported. At present all produce exported is shipped from the Port of Auckland, and all imports from overseas consumed or used in the district enter by the same port. Much of the evidence brought before your Commissioners in support of the exclusion of certain areas from the district was tendered by business men either connected with or representing large businesses in the neighbouring districts or in Auckland. They expressed satisfaction with the existing means of transit by railway to Auckland; and, as they possessed large factories, freezing-works, and storage accommodation, they saw no benefit to themselves in diverting their export traffic to Thames. Much evidence was also led from farmers and butter and cheese producers, tending to show that even if a harbour were established at Thames they would not abandon their long-established means of reaching a port by railway to Auckland, although the distance traversed was three or four times greater than that separating them from Thames.

Your Commissioners found great diversity of opinion, even among residents of the same locality, as to the justness or otherwise of including their districts within the limits of the harbour district. We have very carefully considered the arguments and evidence adduced before us, and have arrived at the conclusion that, however adversely in some quarters inclusion in the district is regarded, a harbour if constructed at Thames would undoubtedly benefit, if not quite the whole, at any rate the greater part, of the land in the Thames Valley, and that, as time advances and more land is brought into cultivation, and the productivity of the district increases, the harbour will grow in importance and usefulness.

Strong opposition was raised by the Borough of Morrinsville to its inclusion in the harbour district, chiefly on the following grounds: Firstly, the distance from the proposed harbour; secondly, that, having no factories and no natural production, they cannot be benefited by the harbour in the matter of exports; thirdly, that, as to exports, their most convenient, although not their nearest, port is

Auckland; and, fourthly, that a port at Thames will not be of any benefit to the Town of Morrinsville from an importer's or a business man's point of view, as all their commercial transactions are at present with Auckland, and will continue to be so. Upon a review of all the facts and arguments placed before us, we are of opinion that Morrinsville should be included within the Thames Harbour District. Geographically, it is a part of the Piako County, and depends for its maintenance upon the prosperity of the surrounding country, and if the county will, as we feel it will, be benefited by a harbour at Thames, then Morrinsville must also share in that benefit. It is only forty-five miles distant from Thames, as against 108 miles from Auckland. It is only twelve miles away from a navigable river discharging into the Firth of Thames not far from the proposed harbour, and it is possible by deepening and clearing the headwaters of this river to render it navigable for vessels of shallow draft to within a mile of Morrinsville.

The County of Matamata and the Matamata Town District are not included in the harbour district as defined in the schedule to the Thames Harbour Board Loan and Empowering Act, 1920, but it is now sought by the Thames Harbour Board to have them included. This inclusion was strongly opposed by both local bodies, on the ground that a harbour at Thames would not benefit the county or town district. They contend that their trade and business is quite satisfactorily carried on with Auckland, and that no inducement which a harbour at Thames could offer would equal the advantage of their connection with Auckland. It was also urged that if a port nearer than Auckland was desired, that port could be found at Tauranga, only twenty-four miles away, where the construction of a deep-water harbour is now under consideration. But between Matamata and Tauranga there exists a high range of mountains. This range is crossed at present by a road, locally known as Thompson's Track, which is serviceable for vehicular and motor-car traffic, but quite unfit for the transport of merchandise in any quantity. The construction of a railway over these mountains is the hope of the Matamata residents, but expert opinion is against the commercial success of such a railway, and the prospect of its construction, even in a not very near future, is so slender that the Commission feel justified in dismissing it from consideration. If a harbour is formed at Thames it would therefore be the nearest port to Matamata, the distance to Auckland being 122 miles and to Thames sixty-four miles. There is at present railway-connection with Thames, passing through Morrinsville, but a direct line could be constructed shortening the distance by nine miles. The Thames (or Waihou) River flows past Matamata and discharges into the Firth of Thames only a short distance from the proposed harbour. This river is at present navigable for steamers of not over 200 tons burden as far as Puke (near Paeroa), and for launches and barges as far as Te Aroha. By removing snags and sand-bars it could be rendered navigable for vessels of shallow draught much beyond the lower boundary of the Matamata County. So that, either by rail, river, or road, Matamata exports or imports could have access to a port fifty-eight miles nearer than Auckland. Upon consideration of the facts and figures brought before us we decide that Matamata County and Town District should be included in the Thames Harbour District. With respect to the county, however, we are of opinion that there are certain areas within its boundaries which, for topographical reasons, cannot be served by the Thames Harbour and should be excluded from the district. These areas are shown in red on the accompanying plan [not printed].

With regard to the Thames and Ohinemuri Counties, which are now, by Act of Parliament, portions of the harbour district, we are of opinion that certain portions should be excluded. We refer to those portions lying between the summit of the mountain-range and the east coast of the peninsula. These lands are cut off from communication with the proposed harbour by the mountains referred to. The few products which they have to export are carried to Auckland by small vessels trading along the coast. We recommend, therefore, that the counties referred to be retained within the district, but with certain portions excluded, as described in Schedule I hereunder.

It has been proved to our satisfaction that there are certain areas of land lying within the County of Piako which should be excluded from the harbour district, for the reason that the natural features of the country compel its inhabitants to seek an outlet which leads away from Thames and in the direction of the Waikato.

These areas will be found more particularly described in Schedule I hereto, and shown in red on accompanying plan [not printed].

Your Commissioners are of opinion that all the boroughs mentioned in the schedule to the Thames Harbour Board Loan and Empowering Act, 1920, should remain portions of the harbour district, as their existence and prosperity are bound up with the prosperity of the counties surrounding them, and what is a benefit to the counties must be to the advantage of the boroughs.

Your Excellency's Warrant further directs us to inquire into and determine what amount of rates shall be leviable upon the various properties within the respective areas comprised within the Thames Harbour District. In pursuance of such direction your Commissioners have carefully considered the circumstances peculiar to each area liable to taxation for the construction and maintenance of the Thames Harbour. In arriving at a conclusion as to the proportionate rate which each area should pay, we have taken into account the following circumstances as factors in determining the benefit likely to be derived in each case from the existence of the proposed harbour: (1) Distance from the port; (2) facilities for using the port (under such heads as "rail" and "water"); (3) capacity to use the port; (4) appreciation or enhanced value of the districts benefited.

Your Commissioners consider that, with regard to the rating of the areas contained within the present Harbour Board District, as set out in the schedule to the Thames Harbour Board Loan and Empowering Act, 1920, neither the several liabilities nor the ratio of taxation can be altogether maintained. By a calculation founded upon the estimated capital value of all rateable properties in the district we have ascertained that the amount of money raised by the special rate would fall short, to a considerable extent, of the actual requirements of the Board. This fact, coupled with the inclusion of Matamata County and Town District, necessitates a readjustment in the amount and proportions of the special rate. Applying the principles above enumerated, we have arrived at a scale of proportionate payments by all the areas rateable within the district which we consider fair and equitable (see Schedule II).

In explanation of the reduced amount to be contributed by Morrinsville, your Commissioners desire to say that they have taken into account the fact that Morrinsville has recently been revalued under the Valuation of Land Act, and its capital value has been largely increased. Under the existing scale Morrinsville would have contributed, before the revaluation, the sum of £116 annually. Under the new values that sum is increased to £290. Under these circumstances we think Morrinsville's rate should stand at $\frac{1}{8}$ d. in the pound until the other boroughs are revalued on a similar basis. The inequality of the existing rating of Morrinsville is shown by a comparison of its contribution with those of Paeroa and Te Aroha: Population of Morrinsville, 1,350; contribution, £290. Population of Paeroa, 1,800; contribution, £189. Population of Te Aroha, 2,109; contribution, £181. Provision is made in the Act for a readjustment of rates should such appear necessary.

A plea for special consideration by the Paeroa Borough Council and the Ohinemuri County Council was not entertained. This plea was founded on the fact that portions of these areas are now specially rated for the improvement of the Waihou and Ohinemuri Rivers (under the provisions of the Waihou and Ohinemuri Rivers Improvement Act, 1910). Your Commissioners held that this matter was unconnected with the questions under consideration, and evidence on the subject was not admitted.

These local bodies—viz., the Ohinemuri County Council and the Paeroa Borough Council—also asked for special treatment and a reduction of the rate, on the ground that they are already connected by water with the Port of Auckland, and will therefore derive less increased benefit than areas whose only connection is by land. Paeroa is only twenty miles from Thames, and by its nearness to the sea and its facilities for reaching the harbour is likely to be benefited more than any other borough except Thames. Your Commissioners are unable to see, therefore, that these areas are entitled to any special consideration. These observations, in a modified degree, are also applicable to Te Aroha.

Your Commissioners have retained the proportion of $\frac{1}{8}$ d. in the pound in the case of Waihi, as no opposition was made to that proportion by the Borough Council. The Borough of Waihi is almost entirely dependent for its existence on

the mining industry which is carried on within its boundaries. The small production from the cultivated land in its vicinity could not support a town. Mining is on the wane in the district, and the time may come when it will entirely cease.

The inclusion of Matamata within the Harbour Board District, and its consequent liability to rating, will, as already stated, affect the revenue required to be raised from the other portions of the district. The Matamata County is a large and populous district, and if rated on the scale applied to other counties would, on account of its distance from the harbour and the less benefits likely to be derived, provide more than a fair proportion of the revenue required by the Harbour Board. Your Commissioners have therefore fixed the rate to be levied on the County of Matamata and Matamata Town District at the amounts set out in Schedule II—viz., $\frac{1}{4}$ d. and $\frac{1}{16}$ d. in the pound respectively.

We forward herewith a plan of the district [not printed] coloured so as to indicate the portions of Matamata and Piako Counties which we think should be excluded from the harbour district. In addition, certain portions of Thames and Ohinemuri Counties (as previously mentioned), not shown on plan, but more particularly described in Schedule I, should be excluded from the harbour district. The Commissioners are scarcely in a position to describe the boundaries of the lands in the Piako and Matamata Counties which should be excluded, but have indicated them on the plan. Accurate descriptions could, we suggest, be obtained from the Chief Surveyor of the district.

Some of the counsel engaged in the inquiry drew the attention of your Commissioners to the inequality of the representation of the different districts on the Harbour Board, and to the fact that the Borough of Paeroa and the Morrinsville Town District are not represented at all. On looking into this matter it seems to the Commission that something really requires to be done. For example, the Boroughs of Te Aroha and Waihi will apparently contribute less than £200 per annum each to the proposed special rate, and each returns a member to the Board, while the Piako County, which will contribute nearly £5,000 per annum, has only one member, and the Borough of Paeroa, which will contribute as much as Te Aroha, has no representation at all. Moreover, the inclusion of the Matamata County and Town District will, of course, entitle the ratepayers of those districts to some representation on the Board.

The present constitution of the Board is as under :—

						Number of Members.
Thames County	..	..	..	..	..	} 2
Ohinemuri County	..	..	..	..	..
Hauraki Plains County	..	..	..	..	..
Piako County	..	..	..	..	..	1
Te Aroha Borough	..	..	..	..	..	1
Waihi Borough	..	..	..	..	..	1
Thames Borough	..	..	..	..	..	2
Payers of dues	..	..	..	..	..	1
Government nominees	..	..	..	..	..	1
						—
Total	..	..	..	..	..	9

If the representation of the various districts is worked out in proportion to the amounts to be contributed to the special rate the following figures will be obtained :—

						Number of Members.
Piako County	..	..	..	..	..	2
Hauraki Plains County	..	..	..	..	..	$1\frac{1}{4}$
Thames Borough	..	..	..	..	..	$1\frac{1}{4}$
Matamata County	..	..	..	..	..	$1\frac{1}{8}$
Thames County	..	..	..	..	..	$\frac{5}{8}$
Ohinemuri County	..	..	..	..	..	$\frac{1}{2}$
Waihi Borough	..	..	..	..	..	$\frac{3}{2}$
Matamata Town District	..	..	..	..	..	$\frac{3}{2}$
Paeroa Borough	..	..	..	..	..	$\frac{1}{16}$
Te Aroha Borough	..	..	..	..	..	$\frac{1}{16}$
Morrinsville Town Board	..	..	..	..	..	$\frac{1}{16}$

To get rid of the awkward fractions, and to place the matter on an equitable footing without increasing the total membership of the Board, the Commission recommends that the representation of the different districts should be rearranged as under :—

	Number of Members.
Thames and Hauraki Plains Counties	2
Piako County, Te Aroha and Morrinsville Boroughs	2
Matamata County and Town District	1
Ohinemuri County, Waihi and Paeroa Boroughs	1
Thames Borough	1
Payers of dues	1
Government nominee	1
	9

SCHEDULE I.

AREAS WHICH SHOULD BE INCLUDED IN THAMES HARBOUR DISTRICT.

1. Thames Borough.
2. Thames County (exclusive of all lands lying between the summit of the main range and the east coast).
3. Hauraki Plains County.
4. Ohinemuri County (exclusive of lands lying between the summit of the main range and the east coast, with the exception of the Borough of Waihi and adjacent lands included within the watershed of the Ohinemuri River).
5. Paeroa Borough.
6. Piako County (exclusive of lands lying in the Waikato watershed, as shown on accompanying plan coloured red).
7. Morrinsville Borough.
8. Matamata County (exclusive of the area lying within the watershed of the Waikato River between the northern boundary of the county and the main road between Putaruru and Puketurua, also exclusive of the area of the county lying to the southward of a line drawn at eighty miles radius from the Thames Harbour, as shown on accompanying plan coloured red).
9. Matamata Town District.
10. Te Aroha Borough.
11. Waihi Borough.

SCHEDULE II.

PROPORTION OF SPECIAL RATE TO BE BORNE BY AREAS WITHIN THE THAMES HARBOUR DISTRICT.

Thames Borough	1¼d. in the pound.
Thames County	1d. ”
Hauraki Plains County	¾d. ”
Ohinemuri County	½d. ”
Paeroa Borough	¼d. ”
Piako County	⅓d. ”
Morrinsville Borough	⅙d. ”
Matamata County	¼d. ”
Matamata Town District	⅙d. ”
Waihi Borough	⅓d. ”
Te Aroha Borough	⅙d. ”

This, our report, which has been unanimously adopted, we have the honour to respectfully present for the consideration of Your Excellency, together with the transcript of the evidence [not printed] taken by us in the course of our investigations, and the accompanying plan [not printed] showing the areas proposed to be excluded from the rating district.

We have the honour to return Your Excellency's Commission dated 9th March, 1921, and Warrant dated 31st May, 1921.

Given under our hands and seals, this 9th day of July, 1921.

FRED. J. BURGESS, Chairman.	}	Commissioners.
H. J. H. BLOW		
MERVYN WELLS		

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