

of time, as mills and work increased up the river, that an immense quantity of sawdust was sent down, destroying the fishing industry at entrance of the river, and doing injury to the river-banks. Snags were also brought down. In consequence of this, application was made to the Government when Mr. Larnach was Minister of Marine, and he, after the fullest inquiry, deemed it right that the Board should have control up the rivers, extending to Te Aroha in one case and the head of the navigation in the others. It so happened that the people in the up-river had been agitating for the formation of a River Board, and, I believe, within a fortnight or thereabouts a warrant was issued and a River Board was constituted. This led, in 1888, to a further inquiry, caused by the objections of the owners of saw-mill and timber property up the river. The outcome was that the Hon. Mr. Fisher, who then represented the Government as Minister of Marine, came down here to hold an inquiry—not exactly in the same manner as you are doing, but he came down. He met the members of the Board, and it was agreed that he should meet a deputation of the Board. However, persons from the up-country were allowed to meet him here. The Board was sent for when the inquiry had nearly concluded, and so far the Board as a Board had no opportunity of laying the matter before him in any shape. However, he went away, and immediately thereafter a Proclamation was issued which defined the limits of the Port of Thames. [Witness indicated boundary on plan.] That was the result of Mr. Fisher's inquiry. The injustice of such an act as that was patent to all concerned, and the consequence was that representations were made to the Government again, and Sir Harry Atkinson, I imagine, caused a further Proclamation to be issued, which brought back the jurisdiction of the Board to the very boundary described in 1874, and in exactly the same words; so that, after all these years, after all the knowledge they had upon the matter, yet the Marine Department gives us the harbour that everybody else says was no good whatever. They find—I suppose it was in consequence of the opinion given by Mr. Hesketh—that probably that was not a clear definition: that they ought to state the in-shore boundaries in the Bill introduced into the House. I want you to notice one short paragraph, and I think nothing more is necessary than to show you that. In a letter of the 15th July, 1889, the Minister in charge of the department forwards copies of a Bill. This Bill declares the limits of the port under the original warrant of September to be thus described in the schedule—that is, all the waters included within a radius of five nautic miles from Opani Point. So that the officers of the department, during all these years, and I believe quite rightly too—for any man of nautical experience, or who has had anything whatever to do with the sea, knows perfectly well that the Proclamation of 1874 was a just and perfect description of the boundaries of the harbour. I speak *ex cathedra* on this matter, for I have had some experience of nautical matters, and that is why I venture to set my opinion in opposition to Mr. Hesketh's. Any one who has a knowledge of nautical matters knows that a seaward boundary cannot possibly include, as Mr. Hesketh says, lakes, rivers, and inland waters. A nautical man knows that a seaward boundary is a boundary out to sea, and nothing more or less. That, in a few words, is a history of the position of this Board with reference to the limitation of the harbour. We come next to the financial question, and I wish this to have some weight in an inquiry of this kind. When money was borrowed in 1880 or 1881 it was with a distinct assurance to and understanding on the part of the lenders of that money that the Board had a jurisdiction which extended up to the boundaries that I have described—that is, within the five-mile circle. The lenders of the money knew perfectly well that there was a certain amount of revenue derivable—and which was hoped to be increased—from the up-river traffic—that is, from saw-mills and other sources.

1. *Mr. Rhodes.*] Who was the money borrowed from?—In that instance, from the benefit societies.

2. Have you any correspondence to show what representations were made to them?—There are members here who were in the front rank of those who obtained the money. I shall mention Mr. Bagnall's name, who, I believe, was Chairman of the Board at the time. The only letter I have before me to show the feeling of the members of the societies in reference to the matter is this:—

SIR,—

Noticing a telegram published in Saturday's *Thames Star*, relating to curtailing the limits of your Board, and as representatives of one of the societies who have loaned money to your Board, we deem it our duty to draw your attention to the fact that our securities are likely to be diminished in consequence of the action of the Government, and would respectfully request your Board to again call the attention of the powers that be to this fact, as we consider that no one has any right to interfere with our securities.

We have, &c.,

M. WHITEHEAD,
A. MCINTYRE,
CURTIS MOORE,

Trustees of the Loyal Waikato Lodge of Oddfellows, Thames.

The Chairman, Thames Harbour Board.

That was the letter received at the time of Mr. Fisher's Proclamation, and it bears out the statement I have made as to how the societies regarded the up-river properties. This letter [letter to the Premier of 4th December, 1888] is rather a long one, but perhaps it will be of some service in reference to this inquiry. It is a letter that was written to Major Atkinson.

3. Are any of these letters as to the financial position private?—They have all been published.

4. There is nothing of a private or confidential nature?—No; I have, of course, a statement here as to the financial position of the Board for this year.

5. I should like that put in. This letter (produced) had reference to the supposed necessity for the introduction of this Bill [Bill produced]. This is a letter from the Premier's Office. He was down here and had an interview with me,—who was then Chairman of the Board,—and he was fully of opinion that the claims of the Board ought to be recognised. Sir Harry Atkinson seemed to me perfectly satisfied of the just claims as to the Board's boundaries which we now ask for. His letter is as follows:—