

people living to the north of the Port of Shortland and of the Kauaeranga River. If you look into the constitution of the Thames Harbour Board you will see that its representation includes only the territory to the north of the Kauaeranga River. People living to the south of the river are not represented on the Board.

*Mr. Brodie* : When the Board was constituted Ohinemuri was almost a foreign country, as far as we were concerned.

*Mr. Bagnall* : I grant all that—that these places were not peopled at that time, and what we contend is that these districts, which are peopled now, should not be placed under the control of people living entirely away from us, whose interests are not our interests, and who wish to get revenue from us to spend for their benefit. Up till 1877 the harbour was under the control of the Government, and wharves were erected by the Government at Shortland, at the goods-wharf at Grahamstown, and at the time the Harbour Board was formed these wharves were handed over free of charge to the Board.

13. *Mr. Rhodes*.] In Shortland were any dues collected up the river? Did you ship up there at all? Were dues collected by the Government?—Yes, up to about here [indicating on plan], as far as it was navigable, where the bridge is now. I admit that the Kauaeranga is the port referred to as the Port of Shortland, and, seeing that the landward boundary is not marked, that it went up as far as the river was navigable. These wharves were constructed by the Government, and handed over to the Harbour Board, and also the foreshore, a large area,—I think some two hundred acres from the mouth of the Kauaeranga Creek northwards,—was all handed over as an endowment to the Board, and for some time after the Board was constituted no charges were levied in any way upon the river.

*Mr. Brodie* : No pilot charges?

*Mr. Bagnall* : I am speaking of wharfage charges. No wharfage charges were levied in the Waihou River during the whole time the Government had control of the harbour, and for some years afterwards; and all the wharves were erected by the owners of property along the river. When the Harbour Board passed a by-law to collect dues upon the river, it was understood that the boundary of the port was a circle with a radius of five nautic miles. This was understood by the Board to be their boundary, and I have no doubt they believed that was the boundary at the time that it was handed over to them. At the time of Mr. Larnach's Proclamation, which included nearly forty miles up the river, these rivers were all included within the jurisdiction of the Port of Thames, and could be levied upon by people living in Shortland and Grahamstown. As soon as that was done, a great outcry was raised. The consequence was that Mr. Fisher came here and held an inquiry. I do not think Mr. Carpenter has stated the thing fairly. The result of Mr. Fisher's inquiry was that he was satisfied that no portion of either the Waihou or Piako Rivers should have been included within the limits of the Port of Thames, and the Proclamation issued by him went in that direction. The Board then made representations to the Government, and the limits were again restored to the position in which they stood under the Proclamation in 1874, which says—"The seaward limits of the Port of Thames shall be a circle of five nautic miles radius from Opani Point." It seems to me that a great deal of unnecessary stress has been laid upon that point. If the Board really has any claim according to the law, they should not limit their claim to five miles up the river. My contention is this: that, as the Act stands, if they have a right to go into the river at all, they have a right to go as far as the river is navigable. My contention is that the five-mile radius has nothing to do with the river limit in any shape whatever, and no one who understands the English language, and who looks at the matter fairly, will say that it can mean anything else—that the seaward limit is the limit toward the sea, and that it is a mistake stating that it should be a circle instead of an arc of a circle. The points that we claim are these: That the original Proclamation was for the Port of Shortland; that the Port of Shortland is limited to the Kauaeranga River; that when the alteration of the name was made it did not alter the port; that it is still the Port of Shortland, and that the Waihou or Piako Rivers never should have been included in these Proclamations at the time the port was handed over to the control of the people of the Thames. It is unreasonable to suppose that the control would have been handed over to people living north of this river, and that they should be empowered to claim dues, and have control of rivers running miles and miles up into the country. I do not think that is the case in any other part of the world, and it is not right that it should be allowed to exist at the Thames. At the time the Board claimed dues we, as law-abiding citizens, agreed to pay, believing that the Board had a right to do what they claimed to do. It was not until after we investigated the matter and found that the Board had no right to do what they claimed to do that we refused to pay, and since have refused to pay, because we did not consider that we had any right to pay. We built our own wharves and looked after our affairs entirely, so far as the wharves and rivers were concerned: and the money was being taken from us and expended down here.

14. *Mr. Rhodes*.] What amount have you contributed that has been spent down here?—I could not say exactly, but upwards of £100; but nothing has been done for our wharves.

15. Your wharves have been built by yourselves?—Yes, and maintained by ourselves.

16. What was the cost, roughly speaking?—£50 a year; that might keep the wharves in repair. With regard to the financial question, and the matter of security, and the nature of the representations made to the bondholders, the representations made to the bondholders were that they had security over all the revenues and rents accruing to the Harbour Board. Nothing was said as to the limits of the port, or anything of that kind. The original loan was for £6,000, of which the friendly societies lent £2,600. It has been frequently alluded to as if the friendly societies lent the whole of the money. As to the reasons given by Mr. Brodie why the residents of the Thames should have control of these rivers, he spoke about the sawdust and snags in the river. At the time when the notice was sent by the Marine Department to cease putting sawdust in the river we did so. The Harbourmaster can bear me out in that. We ceased, and I believe the other