

228. That from "The Westland and Nelson Coalfields Administration Act, 1877," it appears that the Westland-Grey Coal Reserve therein scheduled, and the moneys arising therefrom, were set apart as a security for the sum of £114,439 1s. expended on the Greymouth-Brunner Coalfield Railway up to the 31st December, 1876, and for any subsequent expenditure thereon, till repaid with interest at 5 per cent.

229. That by the same Act the Nelson-Grey Coal Reserve, and the moneys arising therefrom, also scheduled, were similarly set apart as a security for the sum of £27,200 expended on the same line up to 31st December, 1876, and for any subsequent expenditure thereon, till repaid with interest at 5 per cent.

230. That a special account was provided for all rents, royalties, fees, and other moneys arising from the sale, lease, or occupation of these reserves, out of which were to be paid, first, the above interest, and next, the sums thus secured, special mention being made of the expenses of the said railway.

231. That finally it was provided that, when by such means the interest and principal sums so secured over these reserves should be fully paid, the rents, &c., arising from each of them were to be treated as an endowment for the Harbour Board at the time being for the improvement of the Port of Greymouth; and if no such Harbour Board existed they were to be regarded as land revenue, and paid into the Land Fund.

232. That "The Greymouth Harbour Board Act, 1884," and a second Act of same name passed in same year, endowed the Board with the following:—

- (1.) The rents, royalties, fees, &c., and all moneys arising from the lease, occupation, or other disposal of these reserves as already described.
- (2.) The net profits of the Greymouth-Brunner Coalfield Railway.
- (3.) All wharfage and tonnage rates, and charges for the use of staiths, and other charges on coals, less the cost of collecting same.

The Board, however, was not authorised to exercise authority or control over the Railway Wharf, or alter any charges in respect of it, the control being reserved to the authority administering the railway.

233. That the Board was empowered to borrow, on the security of its endowments, £150,000 at or under 6 per cent., for the construction or completion of the harbour-works in, or towards the improvement of, the harbour; and the Governor in Council, if satisfied that the Board had revenues sufficient to meet the interest and provide a sinking fund on the same, was empowered to declare such loan and interest to be guaranteed. If, however, under such guarantee any advances from the Consolidated Fund should become necessary, the amounts of same were to be charged against the revenue of the Board, and repaid by the Board, with a sinking fund to liquidate their amounts.

234. That the rents, royalties, and other moneys arising from the Westland-Grey and the Nelson-Grey Coal Reserves, which, by "The Westland and Nelson Coalfields Administration Act, 1877," constituted securities for the repayment of the sums of £114,439 1s. and £27,200 respectively, having been constituted by the last-quoted Act an endowment for the Harbour Board, it was now, in the Act of 1884 (section 12), provided that "so soon as £100,000 had been spent out of public moneys in the improvement of the harbour there shall be paid, in respect of every ton of coal brought for shipment in the said harbour, by the shipper thereof, a sum of 3d. as a special rate for the purpose of being applied towards the repayment of the moneys authorised to be borrowed under this Act and the interest thereon, and to the repayment of the sums of £114,439 1s. and £27,200 charged upon the Westland-Grey Coal Reserve and the Nelson-Grey Coal Reserve respectively by 'The Westland and Nelson Coalfields Administration Act, 1877,' together with interest on the said sums. The aforesaid rate shall be collected as and from such day and by such persons as the Governor may from time to time appoint, and when collected shall be paid to the Board, to be applied by it for the purpose hereinbefore mentioned."

235. That by another Act, in 1885 (Railways Authorisation), the Greymouth Harbour Board was authorised, for the purposes of carrying out harbour-works, with the approval of the Governor in Council, to make additions or alterations to the rolling-stock, buildings, and plant, and to construct railways and sidings.