

236. That the Board has exercised to the full extent of £150,000 the borrowing-powers conferred upon it, the rate of interest being 4 per cent., with a sinking fund of 1 per cent.; and that this loan has been guaranteed by the Government as a colonial loan.

237. That the interest has been duly met and the sinking fund paid into the hands of the Sinking Fund Commissioners, and that the latter has accumulated to about £5,000.

238. That the Board is also indebted to the Colonial Treasury in a sum of £6,000 (more or less), on which is charged $4\frac{1}{2}$ per cent. interest in current account, and the principal of which is chargeable against the revenue of and repayable by the Board in terms of the Act of 1884, already quoted.

239. That before that Act had been passed the sum of £100,000 and more had already been expended out of public moneys in the improvement of the harbour, but that the rate of 3d. per ton payable thereafter by shippers of coal has never been collected, nor has any appointment been as yet made of persons to collect it.

240. That up to December, 1884, the harbour-works were carried on under the supervision of the Public Works Department, and the expenditure had then amounted to	....	....	....	....	....	£127,000
From that date till March, 1888, they were controlled and supervised by a local Board appointed under the Act, and having in its constitution certain local representation. This Board expended	....	....	....	....	....	122,000
From April, 1888, to March, 1890, inclusive, the present Board has regulated the expenditure, which has amounted in that period to	....	....	....	....	....	43,000
These sums, together with a contribution to the cost of the Cobden Bridge of						1,000

Make up a total on harbour-works of						£293,000
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241. That the present Board is not in any sense a representative Board, but, whilst complying with the Act of 1884, consists entirely of officers in the employment of the Government, the office of Chairman being occupied by the Resident Engineer, and the remaining members being the Resident Magistrate, the Chief Postmaster, the Railway Manager, the Collector of Customs, the Assistant Engineer at Westport, and the Clerk of the Resident Magistrate's Court at Greymouth.

242. That this Board now exercises, with the consent of the Marine Engineer, all the functions and powers conferred by the Act of 1884, and controls the works and expenditure on the harbour to the extent which the surplus revenue and Treasury advances will admit, and that its functions comprise not only harbour works in the ordinary sense, but such additions and alterations to the railway and railway plant as are deemed desirable for the furtherance of its trade, as, for instance, those quoted as still advisable or in contemplation.

243. That, whilst the Board is thus an exceptional one (although Westport is somewhat similar), and cannot be said to be a local Board in the sense that that term is used elsewhere, and whilst the expenditure is thus placed in the hands of the Government, the system has at least one merit—that it tends to obviate recurring applications for further votes.

244. That of the £522,000 of expenditure on harbour and railway already shown, the loan has provided	....	....	....	....	....	£150,000
There has been expended out of surplus revenue (see Mr. Martin's evidence)	....	....	....	....	....	49,700
The Treasury has advanced against future revenue	....	....	....	....	....	6,000
And the amount which has been at one time or another expended out of public moneys has amounted to	....	....	....	....	....	316,300
						£522,000

245. That, whilst expending surplus revenue in permanent works, it does not appear that the provisions of the Acts quoted as to the repayment of the loan of £150,000, or of the costs of railway charged against the Nelson-Grey