Ratio of Cost of Plant and Works.—The cost of the plant, taking its saleable value as one-half of what it cost, is 9½ per cent. of the value of the work done by it, which is also reasonable. The cost of the railways and branches is 13½ per cent. of the value of the work done, which is high, but of course was unavoidable.

Amount of Loan spent.—The amount spent out of the loan authorised by "The Westport Harbour Board Act, 1884," is £348,204 0s. 5d. The sum authorised to be raised was £500,000. There is therefore the sum of £151,895 19s. 7d. still available under the above Act. The trade of the port has steadily increased with the increase in depth of water on the bar, as is shown on the following table of yearly output:—

Year.	Coal exported from Westport.
1885	78,094 tons.
1886	119,779 "
1887	115,942 "
1888*	130,219 "
1889	163,915 "
1890†	160,214 "
1891‡	227,668 "

Excess of Revenue over Expenses.—The revenue of the Board has increased with the trade, and now amounts to about £30,000 a year, while the expenses are about £19,300. From excess of revenue over expenses the Board has placed £35,890 to assist the loan in carrying out the works. The cost of administration of the works has varied at different times, taking an average over the whole period of construction to date the cost has been 2·65 per cent. of the cost of the works, which is very moderate.

Cost of Administration.—The cost of administration is at present £1,350 yearly, which includes salaries, office-expenses, taxes, law-costs, and insurance. The Board also earns about £450 a year by the traffic over the Cape Foulwind Railway

Future of Coal Trade.—The Westport coal grows continually in favour in the colonial markets. There is no coal equal to it in these colonies, and the demand should continue to increase as the facilities of the port are improved. In view of the great coal trade that may be expected to arise if it is properly encouraged, I think that the staiths and wharves on the river-bank are to be considered as a temporary makeshift, and the only suitable accommodation for a coal trade such as is anticipated will be found in the shipping basin of which I submitted a plan and report to the Board on the 7th July 1885. This basin is approved of by Sir John Coode in his letter to the Agent-General of the 29th October, 1890. The Board has at present a revenue nearly sufficient to cover the interest on the cost of the works already constructed, together with the additional cost of this basin, and the export from the basin would greatly increase the Board's revenue. The financial position of the Board at present may be classed amongst the soundest and most prosperous in New Zealand, and there does not appear any reason why it should not continue in, and even greatly improve, its present prosperous position. I am glad to have this opportunity of expressing my thanks for the obliging kindness and assistance given me by your Secretary, Mr Charles N Greenland, the Engineer, Mr J A. Wilson; and the Inspector of Works, Mr J Barrowman, who have devoted much of their valuable time to furnishing me with all the information I required.

I attach a statement of income and expenditure from the commencement of the works to this date, prepared for me by your Secretary

I have, &c.,

The Chairman, Harbour Board, Westport.

C. Napier Bell, M.Inst.C.E.

Statement of Income and Expenditure from 15th December, 1884, to the 30th September, 1891

Revenue Account.

	£ s. d.		£ s. d.
Received from endowments under "The Westport Harbour Board Act, 1884"	110,728 8 9	Expended in interest	55,855 9 6
Interest on fixed deposits	7,230 0 0	Expended in sinking fund	9,779 13 10
Other sources	539 4 0	Harbour expenses	10,898 6 6
		Office-expenses	1,066 15 7
		Advanced to special fund accounts	35,890 15 11
		Balance	5,006 6 5
Total	£118,497 7 9	Total	£118,497 7 9

Loan Account.

	£ s. d.		£ s. d.
Received from loans, &c.	348,205 0 5	Breakwaters	326,314 1 9
Advanced from revenue accounts	35,890 15 11	Dredges and miscellaneous plant	18,285 0 0
		Dredging	8,834 1 4
		Extension wharf and staiths	9,752 1 0
		Inner training-wall	1,236 17 0
		Orawaiti overflow and relief-channel	3,364 4 8
		Sundries	214 9 8
		Westport–Ngakawau Railway—	
		Additions to rolling-stock	3,595 0 11
		Extension to Mokihinui	12,500 0 0
Total	£384,095 16 4	Total	£384,095 16 4

* Bar deepened. † Strike interfered with output, which would have been 200,000 tons. ‡ Last three months estimated.