J.—REPORT BY THE ENGINEER IN CHIEF, 13TH SEPTEMBER, 1880.

Hon. Minister having charge of the Marine Department.

Re *New Plymouth Breakwater*

I HAVE read this correspondence, and can see no objection to the works being executed in concrete instead of rubble, on the same line as originally determined on as for the latter

The Engineer to the Harbour Board points out where certain savings may be made in the cost as estimated by Sir John Coode, who apparently formed his estimate on prices then current in the colony These savings would notably be—first, in wages, say 5s. or 6s. instead of 7s., but these of course would be liable to fluctuations, second, in Portland cement, which will cost in New Plymouth 17s., instead of £1 per cask third, in adopting a cheaper site for the making of the concrete blocks, and from which the blocks could be more cheaply taken to the works.

In addition to these, I think a saving could be effected both in time and money by making the first section of the work 335ft.—that is, from about high-water to low-water mark, or even further, according to the original design for a rubble breakwater In this way it would be ready by about the same time that the block-making yard and machinery were complete for block-making.

13th September, 1880. JOHN BLACKETT

K.—COPY OF PROSPECTUS ISSUED IN FLOATING THE LOAN FOR £200,000 FOR THE CONSTRUCTION OF NEW PLYMOUTH HARBOUR.

[Extract from London *Times*, 6th September, 1879.]

NEW ZEALAND.—Provincial District of Taranaki.—New Plymouth Harbour Board Six-per-cent. Loan of 200,000 in Debentures to Bearer of £100, £250, and £500, secured on the Entire Revenue of the Board.—Issued under Authority of an Act of the General Assembly of New Zealand intituled "The Harbours Act, 1879."

THE Bank of New Zealand, as financial agents of the New Plymouth Harbour Board, are empowered to negotiate the sale of the above loan, being the full amount authorised by "The New Plymouth Harbour Board Ordinance 1875 Amendment Act, 1877," and forming a first charge upon all moneys in the harbour fund.

The debentures are of thirty years' currency bearing date the 1st May, 1879, and are repayable to the bearer on the 1st May, 1909, at the office of the Bank of New Zealand, in London, where the interest coupons are payable half-yearly on the 1st May and the 1st November Interest will commence on the 1st November, 1879.

This loan is to be applied to the harbour-works at New Plymouth, the chief town in the Provincial District of Taranaki, situate on the west coast of the North Island of New Zealand. There is no harbour of any importance on the west coast of this Island from Kawhia Harbour, which is still in the hands of the Natives, to Wellington Harbour in the extreme south—a distance of about 300 miles.

The Taranaki District contains some of the finest lands in the colony but its progress has hitherto been retarded by the want of harbour-accommodation.

The Government, recognising the necessity and importance of this work from a national point of view, have endowed the Harbour Board with one-fourth part of the gross revenues arising from the sale, occupation, or other disposal of the waste lands of the Crown within the provincial district. This subsidy commenced in the year 1875, and the proportion of the proceeds of land-sales so appropriated to the harbour fund has been been duly paid by the Colonial Treasurer to the credit of the Harbour Board with the Bank of New Zealand from time to time. Future payments of revenue from this source will be set apart in order to provide, in the first instance, for interest and sinking fund.

The area of waste lands at present held by the Crown within the provincial district consists of about 758,000 acres, representing a value of about £1,400,000.

The service of the loan is further secured by the rating-power vested in the Board to the extent of 1s. in the pound upon property within the rating district, the present rateable value of which is £62,559 3s. 8d., and will increase as the settlement extends, but, as the revenue derivable from the before-mentioned endowment is deemed much more than sufficient for the purpose, no rate has been struck, nor is it expected that any such rate will be required.

Sinking Fund.

"The New Plymouth Harbour Board Ordinance 1875 Amendment Act, 1877," section 19, provides that all land revenue which the Board may receive under the provisions of "The Financial Arrangements Act, 1876," shall be set aside for the payment of interest and sinking fund on any loan obtained by the Board, and for no other purpose, and this section proceeds to define the manner of appropriation of the land revenue set aside for a sinking fund in purchase of the debentures in the open market, or investment in colonial Government securities.

"The Harbours Act, 1878," defines the harbour fund as consisting of the moneys arising from the following sources (1) Harbour dues and pilotage rates, and all other dues which the Board may be empowered to levy or receive, (2) harbour improvements, (3) rents and profits of land vested in the Board, (4) proceeds and profits of land set aside as endowments (5) all other moneys which may be received by or become the property of the Board under the authority of that or a special Act.

Security and Recourse of Debenture-holders

By "The Harbours Act, 1878," sections 175 to 180, it is provided that the Board shall cause its accounts to be balanced to the 31st December in each year, and cause a statement to be drawn out, which is to be printed, and to be open to every holder of debentures, creditor, or any other person, and every holder of debentures, or creditor, is to be entitled to a copy on demand. By section 202