

*The Chairman* Do you mean, to £1 4s. 6d. or 16s.?

*Witness* The rate at present charged by the Railway Department is 16s. for twenty-four miles. To come down to the Manawatu Company's rate between Wellington and Palmerston North it would be only £1 4s. 6d. for eighty-eight miles, which would leave the Railway Department 8s. 6d. for hauling Class A sixty-four miles over rough country. Although ever since the former Foxton Harbour Board was abolished in 1886, and, in fact, ever since the Foxton wharf was first built, the Railway Department has been receiving the chief source of revenue from it—which must in that time have greatly exceeded £24,000—it has never done anything at all out of these or any other funds towards the maintenance, upkeep, or improvement of the river from which the revenue is derived, except on one occasion, about seven or eight years ago, when some dredging was done near the wharf. But even this can scarcely be said to be expenditure by the Railway Department, because some of the gravel dredged up was profitably employed by the Railway Department itself, and the rest of it was sold. The Marine Department endeavoured occasionally to do a little dredging, but, like the Board, it did not have the necessary funds. The funds required for this purpose should have come from the wharfage revenue. The Railway Department even claims and collects wharfage from the owners of private wharves recently built on the foreshore, which was vested in the Board by the statute creating it, and which the Railway Department has since taken away from it—namely, the wharves built by Levin and Co. and by the West Coast Shipping and Trading Company. The former was built before the Board came into existence; the latter some considerable time after. The Board is at present collecting wharfage from the latter, and the Railway Department is doing so also, the company accordingly having to pay double wharfage rates. The sources of revenue which the Board has in addition to these wharfages, which are paid under protest by the shipping company, owing to its having to pay the Railway Department also, are about £150 a year from rents, and about £490 from pilotages. These sources of revenue were given to the Board from the Marine Department, not, of course, by the Railway Department, but the total amount received from them is, of course, altogether too limited to enable the Board to do anything at all to the river. It is just enough to keep the Board in existence, and no more. The consequence is that the river and bar are constantly in a very bad state, and are always getting worse, just because the Board has not got the revenue earned by the river to spend on it. The Foxton port, being the only one between Wellington and Wanganui, serves a very large and important area of country, and one which is bound to develop greatly in the future. By keeping the port from its natural and proper development by the process of starvation, by preventing the Board from spending on it the revenue which is earned by it, a great injustice is done to the whole district, by hampering the prompt and convenient carriage of goods, and by making the cost of carrying and distributing much greater than it would be if the port were properly attended to and the river kept in proper condition by means of this revenue. In short, it is essential for the welfare of the district that the river should be kept in proper order, and the Harbour Board cannot keep it in proper order unless it receives the wharfage revenue for that purpose. The suggestion of rating the district for the improvement of the river is no solution of the difficulty, as it is not just that the people should be rated when the revenue for the purpose is already in existence. It amounts to taking away the natural sources of revenue for this purpose, and applying it to railway purposes, and then rating the district to make up for the loss. It would be the same thing as if the revenue earned by the river were expended, as it should be, in the maintenance and improvement of the river, and the district then rated for a contribution to the upkeep of the railways. Thus, if a rate were levied, it would in reality be for the benefit of the railways, and it would be better to make it so directly, instead of indirectly through the medium of the Harbour Board. The principle governing the levying of dues on shipping is set out in clause 111 of the Harbours Act, 1908, where it is provided that no dues shall be levied by a Board unless they are to be applied to some shipping purpose, the benefit of which is to be applied to the ships paying the dues, and these shipping purposes are defined as the erecting of works for the facilitating of shipping, and the payment of interest and sinking funds on moneys borrowed for the purpose. This is exactly what the Foxton Harbour Board wishes to do. It is the true and just principle which should govern all tolls upon the shipping industry. It is the principle which has been recognized by Parliament and established by statutory enactment, yet it is the principle which is wholly ignored and opposed by the action of the Railway Department at Foxton. I should mention, in regard to the gravel dredged up by the Railway Department, that it was not all sold. There were some 5,000 cubic yards mentioned in the report there, but the Railway Department refused to sell it to the Borough Council, which was willing to buy the lot of it at 2s. per yard. It was mentioned in the Department's letter that it was used for reclamation, when they could have got sand at 4d. per yard.

1 *Hon. Mr. Millar.*] Does the Railway Department raise any objection to your working the Board with your own money?—We have not got money; the Department has taken all our money

2. From what?—From the wharf

3. When did you have the wharf?—We had it conferred on us by the Act of 1876 and 1878, and abolished in 1886.

4. Who built it?—The same Department built our wharf as built those at Wanganui, Patea, and Waitara.

5. Out of the Railway vote?—Out of the rates.

6. You think you have a perfect right to come and quietly annex another man's property for yourselves?—No; we do not reckon that it should ever have been taken from us.

7. We built the wharf. You as a Harbour Board were done away with. You were reconstituted with full knowledge that you would not get it back. Now you come and think you are entitled to take it away?—We reckon that the wharfages are the natural revenue of the harbour

8. That the shipping dues are?—And the port dues too.