

PHILIP JOSEPH HENNESSY further examined. (No. 9.)

1. *Mr. Weston.*] Do you think if the ratepayers of Foxton had a chance of getting the harbour that they would be agreeable to form a rating-area to raise £10,000 for the purchase of a dredge?—I am quite satisfied that if the port enjoyed the same facilities as what the neighbouring ports of Wanganui and Patea do, and from interviews I have had with County Chairmen and Chairmen of local bodies, there would be absolutely no trouble in the world in getting a rating-area to guarantee interest on money for the purchase of a dredge.

2. Do you think the district would agree to rate themselves to give the Railway Department a huge sum of money?—At any time that I approached the districts when any price was put upon the wharf I was always met with the reply that they would not consider a loan of any kind until some arrangement had been come with regard to the revenue of the wharf.

3. Do you think if it came to raising a sum of £10,000 you could get that?—Yes, I think so. I could see my way to approach men who would put up half.

4. If, however, you had to pay the Government anything like £10,000, I take it, with the amount of wharfages coming to you after allowing expenses to the Railway Department and commission on cost of collection, there would not be enough to pay for the working-expenses of the dredge and interest on it?—I would meet it by imposing a harbour-improvement rate.

5. *Mr. Myers.*] What is the utmost amount do you think you could procure either locally by way of loan for the purposes of this harbour, or that you could get the rating-area to rate itself for?—It depends entirely upon what the Commission will ask us to do. If they asked for £20,000 or £25,000 I would not take it on or ask the district to do so.

6. Suposing it were £10,000?—I do not know whether I am justified in putting any price upon it.

7. Could you get a rating-area?—If it was £10,000 I do not think it would be justifiable. If it was the decision of the Commission that we should pay £10,000 I am satisfied we should be able to do it and form a rating-area.

8. To procure that money?—And sufficient also to purchase a dredge.

9. Would you include Feilding in your rating-area?—No.

10. You know Feilding would not come in?—Yes, I knew that.

11. Is this a copy of a letter you wrote to the Minister of Railways [produced]?—Yes, subject to the approval of my Board.

12. It reads, "Foxton, 20th November, 1913.—DEAR SIR,—*Re* Foxton Wharf: Following our conversation in Wellington yesterday, I now make the following offer for the purchase of the wharf for favourable consideration by your Cabinet, subject, of course, to the approval of my Board, and hope you will assist as much as possible to obtain the Cabinet's acceptance of same. Price to be £28,000 after wharf put in thorough repair. Interest $3\frac{1}{2}$ per cent., and $\frac{3}{4}$ per cent. sinking fund. Payment to be by debentures to Government, extended over a term of years, to liquidate the whole amount. Security over the Board's revenues from wharfages, rents from endowments, pilotage, &c. Rents at present produce £236 per annum. Pilotage and lighting, £410. The net surplus after paying all expenses as shown by balance-sheet enclosed was £205. The assets shown are exclusive of the value of the Board's endowments.—I have, &c., J. P. HENNESSY, Chairman"—I put that before the district, but they would not accept it.

13. What do you mean?—I put it before the district to get a rating-area.

14. Did you put it before the Board?—Yes.

15. Have you got the minutes of the Board to show what was done?—No.

16. Was there any minute to show you put it before the Board?—Yes.

17. What did the Board do?—The Board was quite prepared, but the district would not accept it.

18. Why did you want a rating-area?—I could not raise the £28,000 otherwise.

19. You were not needing to raise £28,000?—The Government would not accept it without a rating-area. They wanted the security.

PALMERSTON NORTH, TUESDAY, 23RD MAY, 1916.

Statement by Mr. LUCKIE. (No. 10.)

Mr. Luckie: Sir, with my friend's permission, and in support of our contention that the opening-up and development of the Foxton Harbour by either the Board or the Railway Department is only a right and proper thing to do in order to enable the one to carry on healthy competition with the other—

The Chairman: I do not know if the Crown admits anything.

Mr. Luckie: I do not suppose so; but our contention is that that is the right principle to be adopted, because the present position is that the Railway Department holds the Foxton Port by the throat practically, and owing to its present attitude there is no possibility of any money being spent in the harbour, and this attitude is adopted solely for the purpose of preventing any trade going via the Foxton Port in competition with the Railway Department. In that connection I desire to put in the evidence given by the late Hon. Mr. Millar before the Public Petitions Committee of the House upon matters which will be referred to in the second stage of these proceedings—that is, the petition by the Bull's Town Board and several other local bodies whom we represent for an extension of the tram-line from Sanson to Marton. On the evidence taken on that point a favourable recommendation was secured from the Committee.

The Chairman: What is the date of it?