

After due advertisement we held meetings of the Commission at Foxton, Palmerston North, and Wellington. Counsel appeared before us representing the following: The Railway Department; the Foxton Harbour Board; the Borough Councils of Palmerston North and Feilding; the Chambers of Commerce of Palmerston North and Feilding; the County Councils of Kairanga, Pohangina, Oroua, Kiwitea, Rangitikei, Manawatu, and Horowhenua; the Borough Councils of Marton, Levin, and Foxton; and the Bull's Town Board. A large number of witnesses were examined and various documents put in. We forward with our report a note of the evidence taken and letters and documents put in and received by us. We have not thought it necessary to forward the plans produced, nor the contracts relating to the construction of the wharf and railway, as they can be obtained from the Government archives. The contract exhibited to us was not for the construction of the Foxton Wharf alone, but for the construction of the wharf, railway-station, and part of the railway-line. It was impossible from the contract to fix the actual cost of the wharf.

I. The first question is, as has been set forth, whether it is desirable in the public interest that the Foxton Harbour Board should be permitted to purchase the Railway Wharf at Foxton. It is always a difficult question to deal with subjects that are connected with public policy or public interest. Many Courts and jurists have pointed out that what is contrary to public policy is generally difficult, and in some cases impossible, to define. We have had to bear in mind the following:—

- (a.) The Parliament has recognized that the harbour at Foxton should be under local control. An Act constituting a Harbour Board at Foxton was passed in 1876, and this Act was repealed in 1878, and the Board reconstituted under the Harbours Act, 1878. Later the Foxton Harbour Board was dissolved in 1886, and reconstituted in 1908.
- (b.) No works have been undertaken by the Harbour Board for the improvement or development of the harbour, the reason being that the Board has had no funds for the purpose. There is no power to rate lands at or near the harbour, and the dues that could be imposed would be insufficient for the purpose.
- (c.) Unlike other Harbour Boards, the Foxton Harbour Board has had no endowments of any great value vested in it. The small areas of land granted to it yield at present a revenue of only £241 per annum.
- (d.) Many other Harbour Boards, such as Auckland, Wellington, Dunedin, Wanganui, Westport, &c., have got valuable endowments.
- (e.) The Foxton Harbour is not, and is not likely ever to be, suitable for any vessels save those of small tonnage. It cannot be anything but a port for small coastal vessels.
- (f.) There is no proposal for any large works in the harbour. All that has been suggested is that the lower reaches of the harbour, and at times the bar, might be dredged by a movable sand-suction dredge.
- (g.) There is a harbour on the coast at Wanganui about forty miles distant, which is a better harbour than Foxton Harbour can ever be, and at present goods for the counties north of Foxton are landed at Wanganui, and some of the exports from these counties are shipped from Wanganui.
- (h.) The railway-line to and from Foxton joins the central line from Wellington to Auckland at Longburn. This railway was not made as a branch line to Foxton. The original design was that the main line should run from Foxton to New Plymouth. The idea of connecting Wellington and Palmerston was long in development. In fact, a Royal Commission appointed in 1880 reported that a railway from Wellington to Palmerston should not be constructed "as we consider the proposal is premature,