

lands given away were allowed, it would become certain that the interest and sinking fund would be paid, and that the loan itself would be wiped out by the accumulations. At the same time, I myself think that the better plan would be for the colony to take back the special endowments of one-fourth of the land revenue given in consideration for taking over the loan itself. Then let the Harbour Board carry out their legitimate functions, and effect improvements with the moneys realised from their small landed endowments and from income from ordinary sources, whilst the colony may deal as it chooses with its Crown lands. There is only one other matter I shall trouble the Committee with. It is continually urged that this would be exceptional treatment, and that if one harbour loan is taken over all the others must be similarly dealt with; but I submit that this is an exceptional case. There is no other Harbour Board which has endowments at the present time of greater value to the colony than its loan, and, therefore, it is the only case in which the taking over of a Harbour Board's liabilities can be shown to be actually a paying commercial speculation, as in the case of the New Plymouth Harbour Board it would undoubtedly be.

8. *The Chairman.*] Can you tell us, on behalf of the Board, the amount at present in arrears for interest?—That is shown in the balance-sheet. I do not think the amount owing to the bondholders in respect of unpaid coupons at the present time exceeds £5,000.

9. You do not mean to say that the default that occurred in May or November of last year, when some $2\frac{1}{2}$ or 4 per cent. was paid, has been made up?—Yes; the Government paid a large amount in respect of the moneys previously deducted.

10. It would be well to have the exact amount of interest due. I think it is £5,122?—I shall supply the exact amount of the interest due.

[Exact amount subsequently supplied by Mr. Samuel as follows: "The balance owing in respect of unpaid coupons (exclusive of those held by the Board's Sinking Fund Commissioners and of those taken up and paid by Government) is now £4,984."]

Approximate Cost of Paper.—Preparation, nil; printing (1,350 copies), £11 15s.

Price 6d.]

By Authority: GEORGE DIDSBURY, Government Printer, Wellington.—1891.