3 H.—21.

Auckland; and, fourthly, that a port at Thames will not be of any benefit to the Town of Morrinsville from an importer's or a business man's point of view, as all their commercial transactions are at present with Auckland, and will continue to be so. Upon a review of all the facts and arguments placed before us, we are of opinion that Morrinsville should be included within the Thames Harbour District. Geographically, it is a part of the Piako County, and depends for its maintenance upon the prosperity of the surrounding country, and if the county will, as we feel it will, be benefited by a harbour at Thames, then Morrinsville must also share in that benefit. It is only forty-five miles distant from Thames, as against 108 miles from Auckland. It is only twelve miles away from a navigable river discharging into the Firth of Thames not far from the proposed harbour, and it is possible by deepening and clearing the headwaters of this river to render it navigable for vessels of shallow draft to within a mile of Morrinsville.

The County of Matamata and the Matamata Town District are not included in the harbour district as defined in the schedule to the Thames Harbour Board Loan and Empowering Act, 1920, but it is now sought by the Thames Harbour Board to have them included. This inclusion was strongly opposed by both local bodies, on the ground that a harbour at Thames would not benefit the county or town They contend that their trade and business is quite satisfactorily carried on with Auckland, and that no inducement which a harbour at Thames could offer would equal the advantage of their connection with Auckland. It was also urged that if a port nearer than Auckland was desired, that port could be found at Tauranga, only twenty-four miles away, where the construction of a deep-water harbour is now under consideration. But between Matamata and Tauranga there exists a high range of mountains. This range is crossed at present by a road, locally known as Thompson's Track, which is serviceable for vehicular and motor-car traffic. but quite unfit for the transport of merchandise in any quantity. The construction of a railway over these mountains is the hope of the Matamata residents, but expert opinion is against the commercial success of such a railway, and the prospect of its construction, even in a not very near future, is so slender that the Commission feel justified in dismissing it from consideration. If a harbour is formed at Thames it would therefore be the nearest port to Matamata, the distance to Auckland being 122 miles and to Thames sixty-four miles. There is at present railway-connection with Thames, passing through Morrinsville, but a direct line could be constructed shortening the distance by nine miles. The Thames (or Waihou) River flows past Matamata and discharges into the Firth of Thames only a short distance from the proposed harbour. This river is at present navigable for steamers of not over 200 tons burden as far as Puke (near Paeroa), and for launches and barges as far as By removing snags and sand-bars it could be rendered navigable for vessels of shallow draught much beyond the lower boundary of the Matamata County. So that, either by rail, river, or road, Matamata exports or imports could have access to a port fifty-eight miles nearer than Auckland. Upon consideration of the facts and figures brought before us we decide that Matamata County and Town District should be included in the Thames Harbour District. With respect to the county, however, we are of opinion that there are certain areas within its boundaries which, for topographical reasons, cannot be served by the Thames Harbour and should be excluded from the district. These areas are shown in red on the accompanying plan [not printed].

With regard to the Thames and Ohinemuri Counties, which are now, by Act of Parliament, portions of the harbour district, we are of opinion that certain portions should be excluded. We refer to those portions lying between the summit of the mountain-range and the east coast of the peninsula. These lands are cut off from communication with the proposed harbour by the mountains referred to. The few products which they have to export are carried to Auckland by small vessels trading along the coast. We recommend, therefore, that the counties referred to be retained within the district, but with certain portions excluded, as described in Schedule I hereunder.

It has been proved to our satisfaction that there are certain areas of land lying within the County of Piako which should be excluded from the harbour district, for the reason that the natural features of the country compel its inhabitants to seek an outlet which leads away from Thames and in the direction of the Waikato.