

197. Are you aware of the terms of "The New Plymouth Harbour Board Ordinance 1875 Amendment Ordinance, 1877"?—That was repealed, I think, by "The Harbours Act, 1878," except clauses 15 and 19.

198. You felt no impediment in proceeding to expend the money although the design for the work had not been approved by the Governor in Council?—We presumed that, Sir John Coode having been the designer, no objection could be or would be made to any alteration he might propose.

199. *Mr. Pitt.*] Do you consider you are working under the Act of 1877?—No, the Harbours Act of 1878, certainly.

200. You do not consider you are under the Act of 1877?—No.

201. *The Chairman.*] Under what Act were you authorized to raise the loan of £200,000?—Under the Act of 1877, I presume, but not the expenditure; the expenditure of the loan would be under the Act of 1880, because the money could not be expended out of the loan until the loan was raised.

202. *Mr. Pitt.*] The New Plymouth Harbour Board has no special power under the Harbours Act?—No, I think not.

203. *The Chairman.*] But, under the Act of 1877, the New Plymouth Harbour Board was restricted as to the amount it should borrow?—Yes, to £200,000.

204. And now you claim to work under "The Harbours Act, 1878," without restriction. Is that what I understand?—No, nothing of the kind. The Board has not any power to raise more than £200,000. At the time of the passing of the Act of 1878 the loan had not been raised, and we prepared fresh debentures under that Act.

205. *Mr. Pitt.*] Can you tell under what Act the approval of the Governor in Council was given?—Under "The Harbours Act, 1878," I presume. Certain alterations by Mr. Rees have also been approved of, the block ground, for instance. I may say that the debentures for the loan had all been prepared, but not sent, in 1878, and they were all cancelled and fresh ones sent under the Act of 1878.

206. *The Chairman.*] Then, from your view of the case, the Legislature has sanctioned the expenditure of the full amount necessary for the completion of the harbour?—No, I do not think that.

207. You are under the impression that no legal impediment exists to the prosecution of the entire work, except as to funds?—No.

208. *Mr. Murray.*] What was the reason for the departure from the original plan for the completion of the breakwater by rubble work?—The work was suspended. The Board found, from information it received, that the quantity of rock available was not sufficient for the completion of the work according to Sir John Coode's plan.

209. How did the Board become aware of that fact?—Through the information of some engineer, I presume.

210. What engineer?—I cannot say whether it was Mr. Irvine or not.

211. Who is Mr. Irvine employed by?—He was employed and paid by the Board. I presume Sir John Coode got his data from the local engineer, as to the rock available, and founded his first plan upon that. He was there only two or three days himself.

212. Can you tell the Committee the expenses incurred with reference to this rubble plan, and also any outlay that might have been made in carrying out that plan?—I can only say by reference to the books. Not a very large amount, I presume. Some of the work done would be available for continuing under the new plan.

213. Was there any other reason than that you state for the change?—None whatever.

214. It was not understood the rubble work would not be sufficient to resist the waves?—I have heard various opinions expressed, but I do not think the Board seriously entertained any such feeling. The design for the rubble mound proposed by Sir John Coode was a very costly and troublesome one, no doubt, and to carry it out would be a very long and tedious process.

215. You have found the stone at Paretutu is not so excellent as Sir John Coode was led to suppose?—There is not so much of it. The nature of the stone is not ascertained. The stone at present used is from the Fishing Rocks—large rocks supposed to contain a sufficient amount of stone for carrying out the concrete breakwater as far as F Y.

216. Are you not aware of the report, which stated that the stone was much less suitable than was expected?—I have read it, probably.

217. Surely you, as Chairman, would be acquainted with such an important document as Sir John Coode's report?—Of course I must have known it at some time; but subsequent events have lessened my recollection of it.

218. *Mr. Pitt.*] When was the £200,000 borrowed?—It must have been in November, 1879, because the first coupons were due on the 1st May 1880.

219. Why, in 1879, did you only borrow £200,000?—Because it was all the Board were entitled to borrow.

220. Were you so advised by your solicitor?—I presume so.

221. This saving clause of the Harbours Act, section 3, kept in force this Act of 1877 as regards your works, as being a work authorized?—Yes.

222. And are you still under the impression that £200,000 is all you were authorized to borrow?—Decidedly, that is my impression. By the provincial Ordinance £385,000 might be borrowed; but that was repealed.

223. Is your solicitor of opinion that you have any further authority to borrow, the Governor in Council having approved the works?—I cannot say.

224. Mr. Rees purchased the plant in England before you had the Order in Council. Was the purchase, therefore, authorized?—I stated before, the alteration was made by Sir John Coode, and we presumed the Government would sanction it. We had suffered very much for years through the delay. Current expenses and everything was running on; and if we had kept Mr. Rees in England six months longer it would have caused a very great loss. We thought it wiser to do the thing at once, and instructed him to purchase the plant and come back.