

As to the 28-acre Block and the North and South Ponds, and the West Quay reclamation, it is agreed that they can most conveniently and economically be reclaimed by building them up with spoil pumped in by adjacent silt-bearing areas.

TREATMENT OF SALT LANDS.

Practically the whole of the McDonald Block and parts of the Richmond Block are permeated with salt deposited by the sea when these areas were daily flooded by the tides, and we have a great deal of evidence about the processes and amount of work required to sweeten this land and make it productive. Mr. J. McDonald, a farmer of many years' experience of a farm adjoining the McDonald Block, was pessimistic about the prospects of ever converting the McDonald Block into farm areas. His evidence in brief is that he has tried every known method without success and without prospect of success being in sight.

Mr. C. D. Kennedy, whom we believe to be as well qualified as any person in the district to speak on the subject, took a more hopeful view. We refer to his evidence on this point on pages 344 and 345 of the Notes of Evidence. He says, "If you carry your drainage to a low-enough point under the dewatering scheme it is possible to bring the land in as farming-land. The drainage is essential." The artesian water-supply which is available here must be used, and the water must be flooded more than once, the object being to wash the salt into the drains and so carry it away. It must be ploughed deeply and well pulverized to allow the rains to permeate it, and that again would tend to carry the salt to the drains. He continues: "I have so treated a small area which at the beginning would grow nothing, and I eventually got a crop of barley from it. I do not represent this is a quick process; it would take years to get the land into a condition to produce a crop. I have had no experience in flooding a large area. . . . With the most energetic measures in ploughing, liming, &c., it would be possible to get this land into cultivation in four or five years. For ordinary commercial purposes it would take nine or ten years. There is not much initial value in the land. I consider that the value, say, at the end of ten years, would be sufficient to give an initial value to the land. If the Board drained and cut up this area it could expect very little, if any, return from it for, say, twenty years. Eventually it would rank with the best land in the district. . . . Hay and Rochfort's estimate of cost of reclaiming McDonald's Block is £28,000. If that is correct, or whatever the correct amount may be, the Board must face the prospect of paying interest on that amount for ten years before it begins to get a return." Mr. G. F. Clapcott also gives evidence of his experience and knowledge of reclamation work on a somewhat similar area at Invercargill. We refer to his evidence on this point contained in a letter addressed to the Chairman of this Commission and appearing as Exhibit No. 131. We think the evidence on this point given by Mr. C. D. Kennedy is reliable, and sets out a reasonable basis on which the Harbour Board may base its expectations in relation to the McDonald Block. We would summarize this into a statement that when the Harbour Board commences the reclamation of this block it must face an initial expenditure of nearly £30,000, and that the amount so expended will carry interest but produce no income for at least ten years. Thereafter for another ten years it is probable that any benefit derivable from the land will have to be allowed to the parties that in the initial ten years have undertaken the work and expense of sweetening the block. If the interest on this money were capitalized during this period of twenty years, the effect would be, approximately, to double the cost. Another way of looking at the problem is that when the McDonald Block is reclaimed the interest on the cost of reclamation at 6 per cent. will wholly absorb the returns from about £36,000 worth of other reclaimed areas. It is clear, then, that, in the words of Mr. A. E. Jull, Chairman of the Harbour Board, when recalled on the last day of our sitting, "The McDonald Block is in the future."

CONCLUSIONS.

We now propose to draw these various considerations to stated conclusions and recommendations, and in doing so we propose to take a comprehensive view of the whole problem. Our recommendation in the matter of harbour policy cuts out from our considerations the dominating influence of Inner Harbour construction as a deciding factor in the question of what areas shall be first reclaimed and what methods shall be adopted to reclaim them. We are viewing the matter of reclamation as a problem being considered by a Harbour Board whose policy for a decade is the restoration to complete efficiency of its existing harbour facilities and the consolidation of its financial position. From this point of view it becomes necessary to consider the activities (actual and potential) of the Hawke's Bay River Board. We are satisfied that a scheme based on the erection of levees as a temporary expedient of dewatering the Awatoto and Richmond Blocks, as a cheaper method, is, in view of the defects of the dewatering system and the prospect of the ultimate diversion of the Tutaekuri, a short-sighted and wasteful method, and we recommend that, along lines which we shall indicate later, the immediate requirements for the expansion of the residential portions of Napier should be supplied by adopting the method of building up the levels by dredged spoil.

ORDER IN WHICH BLOCKS SHOULD BE RECLAIMED.

We are of opinion that the 28-acre Block should first be reclaimed, and we are satisfied that this can be done promptly and at very little expense. Mr. C. D. Kennedy says, at Page 341, "The 28-acre Block wants very little. In my opinion a few weeks' work pumping would complete it—pumping in silt. It could be made ready for occupation in three months from completion—that is, roaded, channels, &c. With drainage, it would take six months. This block could easily be connected with