

of concrete at a minimum price at which, according to the same specifications, private contractors alleged they were quite unable to turn out a cubic yard of concrete. The cross-examination of some of the private contractors left no doubt whatever in our minds that they had been extremely liberal in their estimates of the details of cost, and that the prices they arrived at were decidedly high. We make no finding on any individual prices or figures submitted to us, but we recommend very strongly that the Napier Harbour Board, as custodian of public money, should, before accepting any contract involving such work, require close inquiry to be made as to the prospects of doing the same work at a much lower cost by day labour under the supervision of its own foreman and officers.

PART 23.—COSTS OF THIS INQUIRY.

We have been further directed by Your Excellency to consider what sums representing the whole or any portion of the costs of our inquiry should be borne by the Harbour Board, and by the respective corporate bodies represented by the local authorities of any district lying wholly or partly within the Napier Harbour Rating District as now constituted, and any other corporate body and individual, or by any of them, and in consideration of this matter we were directed by Your Excellency to have regard to the local scope of the Commission.

We have given due consideration to this matter, and we have had the benefit of being addressed on the point by counsel for the Harbour Board (Mr. A. Gray, K.C.) and counsel for the Marine Department (Mr. H. B. Lusk). In our opinion, the whole of the costs of the inquiry should be borne by the Napier Harbour Board. We are of opinion that the appointment of this Commission and the conduct of the hearing was necessary, and that the said necessity arose entirely through the actions and policy of the Board; and, further, that the result of the inquiry is to the benefit of the Harbour Board and its constituents.

In this connection we refer to the brief history of the Board set out in Part No. 8 of this report; to the vacillations of policy shown therein; to the numerous costly reports obtained, only to be rejected and scrapped whilst the Board resumed its search for an engineer who would give an answer agreeable to the Board; also to the Board's inaction in the matter of reclamation for a period of approximately twenty-five years—an inaction that has inflicted great hardship and injustice on the residents of Napier.

The costs will be comparatively high, and we regret that they must be visited on those who find the revenue of the Napier Harbour Board, but on no principle of fairness can we justify to ourselves the suggestion that any other body or person should be visited with a portion of them.

We beg to hand to Your Excellency herewith an order for payment of costs in accordance with the above, for transmission to Your Excellency's Minister for Marine.

PART 24.—HARBOUR BOARD OFFICIALS AND STAFF.

Our inquiry at Napier involved the officials and staff of the Harbour Board in a great deal of work. Much of this had to be done at high pressure, and it was in most cases associated at some stage with the ordeal of examination and cross-examination in the witness-box, and we wish to express our appreciation of the manner in which all concerned performed their duties.

It was suggested by counsel for the Harbour Board, when we were addressed on the matter of costs, that we might make a recommendation that an allowance should be made to the Chairman of the Board, Mr. A. E. Jull, in recognition of the fact that during the six weeks covered by the inquiry he was in constant attendance, living at Napier during that period, and devoting all his time and energies to the presentation of the case. We fully recognize those facts. We have not agreed with Mr. Jull's views, we have not been able to endorse his policy, but those facts do not prevent us from recognizing that Mr. Jull, as representative and champion of the majority party of the Harbour Board, sacrificed all his time and energy for six weeks, and presented the case of that party with vigour, with a great deal of ability, and, above all, in an excellent spirit. While recognizing all this, however, we do not think that we should make the suggested recommendation. If it were made in favour of the representative of the majority party, it must in fairness be made also in favour of Mr. P. F. Higgins, the representative of the minority party. He also displayed a great deal of ability in putting his facts and views before us, and it was not suggested that we should recommend an allowance to him. Both are elected members of a local body, and there are obvious objections to recommending payments for services rendered in the advocacy of policies for such bodies.

As to the work of the clerical and working staff of the Harbour Board, we feel constrained to place on record our appreciation of this. Particular mention must be made of the Secretary, Mr. J. P. Kenny; his energy and ability were beyond praise. We submitted numerous questions to Mr. Kenny (see Exhibits 95 to 100 and 147 to 162), and the preparation of the answers to these must have involved days and nights of work, the bulk of which in the matter of organization and co-ordination must have fallen on Mr. Kenny, and not once did his intelligent ability, his knowledge of his subject, or his courtesy fail him. We have no doubt that the remuneration of the staff for all this extra work will receive attention from the Harbour Board. It may assist the Board in assessing a just recompense to Mr. Kenny if we place on record our belief, firstly, that Mr. Kenny's energy and ability reduced the expenses of the Commission by the cost of fourteen days' sitting, and, secondly, that if his secretarial knowledge had not been supplemented by a good grip of accountancy principles it would probably have necessitated our requiring the services and report of a public accountant. We beg to recommend a special remuneration of £100 to Mr. Kenny.

We have the honour to be, Your Excellency's obedient servants,

JOHN S. BARTON, Chairman.

A. C. MACKENZIE, M.Inst.C.E., Commissioner.

JOHN B. WATERS, Commissioner.

Dated at Wellington, this 29th day of September, 1927.