

Messrs. Cullen and Keele arrived at Napier on the 22nd April, 1925, and they submitted their report on the 23rd November of the same year. They perused Mr. Furkert's report, and they made further investigations into the various factors that had to be considered before they could report. They reaffirmed their previous conclusion that the Inner Harbour as designed by them was practicable, that there were no great difficulties in the way of cutting and maintaining the entrance channel, but they clearly stated the opinion that the cost of maintenance and dredging of the channel might be expected to be considerable. They also reported on the Breakwater Harbour, and they outlined a scheme for that harbour, with estimates of costs, and they brought the whole to a conclusion in the form of a recommendation in answer to the Board's request that they should advise the Board which of the two harbour schemes they recommended for execution. Their answer is contained in the following words :—

"We are of opinion that the adoption of the Outer Harbour scheme, with one pier, which with the Glasgow Wharf will afford accommodation for four ocean liners, is to be preferred, and recommended accordingly. Briefly, our recommendation is based on the smaller initial capital outlay required for the Outer Harbour, whilst the difference in the estimated annual maintenance for the two schemes would represent if capitalized a further large difference."

As this recommendation is the opposite of their 1912 recommendation, it would naturally be expected that some explanation for the change in their views should be tendered, and this expectation is satisfied by the following statement which precedes the recommendation that we have quoted above. Messrs. Cullen and Keele say,—

"Shortly after submitting our report of 1912 we suggested, in reply to an inquiry from the Board, that the Inner Harbour appeared to offer a better prospect for successful execution than the Outer Harbour—an opinion based on the information then supplied to us respecting the strata in the bottom at the Outer Harbour—viz., that a large area of rock existed there which would have to be removed. The close survey of the strata which has been made this year by boring has shown that the rock formerly supposed to be there does not exist, and that the area, with the exception of a few small patches, down to 35 ft. below L.W.S. is free from rock. The strata, in the opinion of the officer in charge of the boring operations, will present no difficulty in dredging it or in driving piles into it. This survey has shown that what we considered to be a very serious objection to the successful execution of the Outer Harbour proposals does not exist in fact."

The boring referred to in the above paragraph was carried out by Mr. Pengelly, the expert at this work who had been supplied by the Public Works Department at the request of the Harbour Board. In effect, therefore, Messrs. Cullen and Keele have twice visited Napier and made most exhaustive inquiries, and they definitely recommend the Breakwater Harbour, and explain that their previous recommendation of the Inner Harbour had been based on a misconception entertained by them respecting the strata at the bottom of the Outer Harbour; whilst in relation to the Inner Harbour they stress two disadvantages, the first being that the Inner Harbour would require the keeping in continuous commission of a large dredger, with all the expense that this involves, and the second being that the Outer Harbour was advantageous from a navigator's point of view inasmuch as it would be easier to enter during bad weather. The Board thereupon adopted Messrs. Cullen and Keele's breakwater proposal, and on the 12th January, 1926, a formal resolution recording such decision was passed and steps taken to procure the necessary legislation. In April, 1926, however, an election was held for the purpose of electing six members to represent the country districts. At this election all six members elected were declared supporters of the Inner Harbour, and they were elected by a large majority of the votes, and their accession to the Board meant that supporters of the Inner Harbour were in a majority. On the 8th June, 1926, motions were carried rescinding the previous decision to carry on with the Outer Harbour construction, and deciding instead to proceed with the construction of the Inner Harbour. Steps were taken to appoint consulting engineers and to undertake certain preliminary works that seemed to point to a continuance of the piecemeal construction of the Inner Harbour. In the meantime a Bill had been prepared for submission to Parliament intitled the Napier Harbour Board Empowering and Loan Bill. It recited the dearth of available lands to cope with the rapid expansion of the Town of Napier, and the existence of the Harbour Board's endowment lands, which, if reclaimed and levelled, would be available to meet that difficulty and would on the whole become a valuable source of revenue to the Board, and it went on to empower the Board to proceed with the filling-up, reclamation, and levelling of certain blocks of land which might be briefly described as the Awatoto Block, the 28-acre Block, the North and South Ponds, and part of the West Quay reclamation, and it gave a limited power to sell portions of some of those blocks. That Bill was remitted to a parliamentary Committee, which took evidence in the usual way. Both parties to the Inner Harbour dispute attended to give evidence, and the Committee recommended that the Bill be not proceeded with. The petitioners who had presented the petition to Parliament of 1924 again petitioned Parliament and asked that their original petition be revived. This recited the vacillations of policy that were apparent since the date of their previous petition, and they again asked for the appointment of a Commission of Inquiry. Whilst this was proceeding the expenditure upon the Inner Harbour, particularly in the form of reconstruction of the West Quay, had been continued, and questions have been raised between the Board and the Marine Department as to whether the requirements of the law as embodied in the Harbours Act have been complied with. In this connection there have been letters, telegrams, and interviews, and these gradually developed the position to which the petitions and the proceedings before the parliamentary Committee seemed inevitably to tend—namely, the appointment of a Commission of Inquiry, and this present Commission is the outcome of the position thus created.