

Population served (page 450, Notes of Evidence) is 87,742 : equals from 2·5 to 2·6 tons per head.

Adopting the population as given by the Government Statistician in Exhibit No. 151, and the total cargo handled as given by the Local Authorities Handbook, 1927, page 380, the following comparison can be made :—

Port.				Population per Government Statistician.	Cargo handled : Imports and Exports of Population.	Tons per Head.
					Tons.	
Napier	..	..	..	75,760	221,653	From 2·5 to 2·6
Dunedin	..	..	..	128,575	426,552	3·3
Lyttelton	..	..	..	181,900	697,971	3·83

(8) GENERAL.

Hawke's Bay and the adjoining territory is an exceptionally fine producing area for wool and meat. Dairying and fruitgrowing are quite successful in certain localities, but the province is pre-eminently wool and meat country, and commercially and industrially speaking is organized and operated on that basis. Climatic and physical conditions, particularly the occasional recurrence of dry years, militate against the successful working of small agricultural holdings except in certain favoured localities, and in view of this, and of the fairly staple prospects for wool and meat in the world's markets, it is reasonable to assume that in Hawke's Bay and the adjoining districts served by the Napier Harbour wool and meat will remain the dominant factors for years to come. Unfortunately, grazing and stock-rearing in such country, no matter how productive, does not call for anything like the same labour as agriculture or dairying in an area of the same size, therefore a rapid increase in population in the near future cannot be reasonably expected. Nevertheless, it is a fair assumption that with improved methods in stock-raising, increased productivity from the use of fertilizers, better grassing of pasture-lands, and the gradual subdivision of such of the larger holdings as are suitable for subdivision, a steady increase in production and in exports may be looked for. This, together with increased fruitgrowing and dairying in suitable localities, will lead gradually to a corresponding increase in population, and, as imports depend on exports and on the maintenance of a satisfactory standard of comfort, it is reasonable to assume that imports as well as exports will show a gradually rising tendency in the future. It must be remembered, however, that the purchasing-power of the community regulates imports, and this depends to a large extent on the *value* of exports, which in the case of wool and meat is in turn dependent on the course of the world's markets. It is conceivable, therefore, that a steadily increasing volume of exports might *not* produce an equivalent increase in the volume of imports. Given normal conditions, however, the future trade of the port should show a steady although not a rapid increase in volume.

(9) ECONOMIC CONCLUSION.

Amongst the main ports of the Dominion, Napier ranks fourth in outwards and fifth in inwards tonnage. The volume of trade has been fairly well handled in the past, and, in spite of the partially developed state of the harbour, there is very little evidence of undue delay in handling either exports or imports, and even at the height of the wool season steamer-loading in the roadstead has apparently been very prompt. As regards the Breakwater Harbour, there has been little delay or loss of time, either on account of weather conditions or because of insufficient wharf and railway facilities. It also appears that the present arrangements in respect to harbour and roadstead loading and discharge are sufficiently capable of expansion to take care of any gradual increase in trade for some years to come. Certain minor improvements in railway and sorting-shed accommodation are necessary, but on the whole the trade of the port has been carried on very efficiently, and the Harbour Board staff, and the shipping, stevedoring, and lightering companies and their employees are to be congratulated on the prompt and careful despatch given, especially to roadstead cargo, all of which requires double handling. It would no doubt be desirable to eliminate this double handling with all that it involves in labour and lighterage, but the port is certainly being effectively, although somewhat expensively, worked under present conditions, and can continue to be so worked for some considerable time to come. While, therefore, a change to more modern and economic methods is desirable, it is not immediately essential, and the heavy expenditure entailed by such a change cannot be justified on the ground of necessity, either from the present or the immediate trade future.

The question of whether the expenditure referred to would be justifiable from the financial aspect necessitates a careful examination of the financial position and resources of the Board and of the Hawke's Bay Rating District.

(10) ANALYSIS OF FINANCIAL POSITION.

In order to determine intelligently the present position, and the financial potentialities of the more immediate future, it is necessary to examine briefly assets and liabilities, revenue and expenditure, essential works either in progress or contemplated, also sources of income, and any other important factors relevant to financial issues, including the present capital costs of all harbour-works.