

108. I would not take the opinion of merchants and manufacturers at all on a question of this kind. They are not the ratepayers of Dunedin alone, and they will be benefited if you get in and sell power at a low price. The ratepayers generally will be saddled with the interest in the event of the Corporation scheme being a failure, and I think it is a fair thing, seeing that both sources will be required to supply power, to give the Corporation the first call, and that would avoid anything in the nature of a monopoly price to the consumers?—It would unduly hamper us, and we have no evidence that the city will complete their scheme within twelve months.

109. If they cannot supply electrical energy, you can. Supposing you got your power in and application were made to the City Corporation and they could not supply it because they were not ready, your company would be able to do so?—I think the safest thing for the citizens is fair and open competition. It tends to the prosperity of the place. However, we are in the hands of the House, and recognise that.

110. *Mr. Buddo.*] When did your company start actively on the work at the Falls?—In 1902—about July or August.

111. Did the proprietors of the original rights, or the present proprietors of those rights at any time offer the water-rights to the Corporation of Dunedin?—I believe they did, but that is only hearsay evidence—I cannot speak with any authority. I had no connection with the previous syndicate. I heard the rights had been offered for from £10,000 down to as low as £500.

112. You have no documents to show that the City Council made overtures to the proprietors, or that the proprietors made offers to the Council?—I have none.

113. In the event of this Committee recommending a clause enabling purchase within a period, would any less term than twenty-five to thirty years be satisfactory to your company?—I say that if it were an open clause imposing a condition that they might acquire the works at any time it would be disastrous to the company. If such a contingency is likely to arise, I say, let us know our fate. If the term be forty years let the compensation be nominal, and if twenty-five years let the compensation be greater.

114. You made a statement in reply to Mr. Fowlds that you considered the amount of light required for Dunedin would be one lamp per capita?—That is so.

115. Would you not think that an extraordinary supply?—No. In Wellington you have 90,000 installed, and have gasworks competing with the electric light, and yet the electrical business is paying well. I do not think we are so far behind Wellington that we should not very soon get our premises lighted with electricity.

116. Have you considered how many of those lights were not in use?—I said “installed.” I said that if they were all used it would probably take 9,000-horse power to supply the lights. But that is a question that should be put to electrical engineers.

117. You said in reply to Mr. Fowlds that you would recommend fair and open competition with regard to an undertaking of this magnitude?—Yes.

118. *Mr. Herries.*] How long has your company been in operation?—It was registered in August, 1902.

119. How many statutory yearly meetings have you held?—Only one, I think, or two.

120. Do you produce the report and balance-sheet?—I will undertake to do that. The statutory meeting will take place next month. The balance-sheet will only show the Construction Account and general expenses.

121. There is no chairman’s report?—No, it is a verbal report to the shareholders, stating what progress had been made and what steps we had taken to ascertain particulars from our electrical engineers.

122. Was the promotion of this Bill discussed at your last statutory meeting?—No, that comes from the board of directors.

123. And have the shareholders been consulted as to the Bill?—Not that I am aware of. They might have been individually, but they have not been called together for the purpose.

124. You do not anticipate that the shareholders will object to the Bill?—They cannot. There is a certain power given to the board, which takes what steps it pleases.

125. *The Chairman.*] If your company were only entitled to supply electrical energy in Dunedin when the Corporation were unable to do so, would your company go to the expense of carrying the electrical power there at all?—We could not carry it there without the capital, and the provision would so hamper us that if such a condition were imposed I would not like to say what would happen. We are formed for the specific purpose of bringing our energy into Dunedin—that is our main object.

126. If you are restricted from supplying any electrical energy to any one in Dunedin until they have been refused by the Corporation, will your company go to the expense of bringing that electrical energy into Dunedin at all?—Clearly not. It would be unwise for the board—exceedingly unwise—to attempt to go to Dunedin if we had not the power to sell or were dependent upon whether the Corporation was able to do so or not, and I think we should be blamable by the shareholders for doing any such thing as spending their money on the chance of operating there.

127. In the event of your company being restricted from supplying any electrical energy within the City of Dunedin, will it be the intention of the company to go on any further with their operations?—I do not think it would. Dunedin is known to capitalists, and if we quote the suburbs they do not know them, especially on the eve of Greater Dunedin coming about. Within the last two months or so we have had an application from the New Zealand Railways Department, asking us to quote what we would supply light to the railway-station for. In Caversham, the borough has decided to amalgamate with Dunedin, so that there is every reason to believe that the suburbs will become Greater Dunedin in time.