

105. Can you not give us an idea? You told us that you were calculating things on a population basis, and as you say the population basis is the test, I want to apply that test?—We do not hope ever to light every farmhouse in the Taieri County or the Borough of Milton, but we do hope to light every dwelling in Dunedin and its immediate suburbs.

106. What is the population of the places mentioned in the Bill—the Counties of Taieri, Bruce, Tuapeka, and Waikouaiti, the City of Dunedin, the Boroughs of Milton, Mosgiel, Green Island, South Dunedin, St. Kilda, Mornington, Roslyn, Maori Hill, North-east Valley, West Harbour, and Port Chalmers, and the Road Districts of Peninsula, Tomahawk, and Portobello? Can you give us the population of all those places?—I would if I could. I know that they are sparsely populated on an average.

107. Do you know, to begin with, that the population of the suburbs of Dunedin exceeds that of the city? The population of the city is twenty-three thousand, and the population of the suburbs is twenty-five thousand; or, according to latest returns, the city is twenty-five thousand and the suburbs twenty-eight thousand?—I assume that they are somewhat about half-and-half.

108. And do you not know that the largest factories are mostly situated outside the city radius?—I speak of Greater Dunedin in the area we cover, with fifty-three thousand inhabitants. The largest factory is the workshops at Caversham.

109. You have told us that Ross and Glendining's mills are the largest?—I think they are outside the limit we have taken for our population.

110. Is it not a fact that the great consumers, such as the Roslyn Tramway Company, the Mornington Tramway Company, the Mosgiel Woollen-mills, the Green Island Ironworks, the Kempthorne Drug-factory, and all the large concerns are going into the suburbs?—No. Ross and Glendining are not in the suburbs, and 98 per cent. of those you have enumerated are already outside.

111. Do you propose to send the power to Mosgiel?—Rather.

112. And to the Kaikorai Valley?—Yes.

113. Then why not include Ross and Glendining's mill in your calculation?—The area covered by the fifty-three thousand does not include the Taieri County.

114. You have made no accurate calculations as to the amount of power you will require outside the City of Dunedin?—When I made my calculations I knew what the amount of power was within the Taieri County.

115. What about the other places, such as Bruce and Tuapeka?—I do not know the total amount of power used in Bruce, but I know of some power that is there.

116. You told us that the Wellington Company are far behind the present needs of the city, and that they could increase their output by 20 per cent. if they choose to bring their plant up to date?—Yes.

117. Is that not a very good reason why the Corporation should take up such an enterprise instead of a company that lags behind?—On the contrary, a company whose management is outside the area of supply are not so much interested in the growth of the concern, which would actually mean the investment of additional capital. They are not so much interested as a local concern, and would not take the pains to see that the enterprise was pushed as a local company would.

118. Does that not all apply in favour of a Corporation as against an outside company?—No. For instance, a company can push its works on faster than a Corporation in this particular enterprise, because a company can go into such business as the renting of motors on the easy-payment system, or renting them simply on a horse-power basis. A municipal Corporation is not allowed to go into anything of that sort, because it is in the nature of a speculation.

119. Then do you suggest that your company has been specially quick in getting hold of things?—I think they have been more rapid than other people.

120. You have been in existence since August, 1902, and have only got one-third of your shares off?—I am not able to judge of the financial aspect of this enterprise; I am speaking from an engineering point of view. We have more work to show than you have.

121. Then you think the manufacturers of Dunedin proper could be supplied with power by you at half the cost of steam-power?—Yes.

122. And you appeal to figures in the red and white books to prove that?—I have figured that out.

123. And the result of your calculations is comprised in those two books?—Practically.

124. *Mr. Herries.*] You heard Mr. Goodman, I think, give evidence that £4 12s. was the actual cost of delivering electrical power into the power-house by the Lee Stream scheme?—Yes.

125. Are you prepared to admit that that is correct?—Well, I am not responsible for those figures.

126. Do you think it is a fair calculation, or would you dispute it?—I would dispute it. If it were my business, I should differ from him. In making up the cost you must understand that his conditions are entirely different from mine.

127. What do you say you can put it in for—£7 10s?—That would be our approximate cost. Understand that that is not what we call reticulated; that is in bulk.

128. Do you think it is a commercial possibility for him to put his electrical energy into Dunedin at £3 less than yours?—Hardly. I would not like to advise our company to sell power at that price.

129. Then you only go in on the assumption of taking up what the Dunedin Corporation cannot supply, if you cannot compete with them?—I do not think they intend to sell at that price.

130. Their profit on that price would be more than your profit, if they could sell the power at that?—They have not stated any price at which they intend to sell it.

131. Are you a shareholder in the company?—Yes.

132. How many shares do you hold?—About £300.