

that a general system of distribution of electric power is really necessary for a community before it can keep pace with its normal requirements.

7. You speak about using electricity for developing different ores. Has any inquiry been made as to the existence of these ores in New Zealand? Are you satisfied that we have got these ores?—No, I cannot say that; but from inquiries which have been made I know that there are deposits which would be treated if the power were available.

8. Cheap power?—Yes. At the present time they cannot afford to put down the plant.

9. *Mr. Luke.*] When the Dominions Commission was out here they said they gathered from the reports of geologists in New Zealand that New Zealand is a highly mineralized country, but that there are not very large mineral deposits in any part of the country: do you subscribe to that statement?—I have heard those who know express the same view. Mr. Morgan, the Geologist, has expressed the same view; and that is where this hydro-electric power will come in: it is because the minerals are scattered that I believe the electric power will be of greater service.

10. Taking the Parapara ore, of course that is very rich. In your opinion, would Parapara lend itself more to electric treatment than to treatment by the old process?—No, I would not recommend that at all.

11. *To Dr. A. K. Newman.*] I have recommended that the Waihi Company's plant should be taken over immediately on terms which are provided for in the license. In that event we could take all the necessary steps to distribute the surplus available from that source, and we would also use part of the surplus for construction purposes for the big works at Arapuni. The distance is about seven miles between the two. I gather from inquiries which have been made that there is likely to be a big industrial development in that neighbourhood, and also the farmers are crying out for it. The Waihi Company's business is sufficient to pay working-expenses and interest on the present capital. It will need more capital to increase the distribution, but that will pay for itself.

12. *To Mr. Hornsby.*] The taking-over of the company's plant is provided for in the license. The Government may take it over at any time on payment of cost. We would have to expend some money upon the plant to make it suitable for our purposes. In regard to other works generally, I have already said that I would not recommend the Government to take them over; they would have to maintain them themselves and utilize them for their own purposes.

13. *To Mr. Sidey.*] In regard to the best scheme for the South Island, I have made up my mind in main outline, but not in detail. I will leave that to my successor. I have some more investigation work to do in connection with the main outline.

14. How long do you anticipate it will take to carry out your scheme for the North Island?—The report says ten years.

15. What is it that will take the time—labour?—No; it is a question of growth, like a tree. You cannot get all the business in one day.

16. Do you suggest that the State should not touch the South Island until after it has finished the North Island?—No; I am not making any suggestion at all.

17. What is your idea with regard to the work in the South: where should it start?—If the money and labour are available there is no reason why it should not start at the same time and carry it all out simultaneously.

18. Is it your opinion that it is desirable that the State should undertake and control the whole of the water-power schemes for both Islands?—Yes, I am of opinion that that is the only satisfactory way of doing it.

19. What labour do you anticipate will be required to carry out the scheme?—We want quantity, and we want quality, too.

20. How many men are likely to be wanted?—Take the Mangahao line. I suppose we will want four hundred or five hundred men there, and they have got to be skilled men.

21. Is that where you propose to start?—We will be getting the approaches and the roads ready in a few weeks.

22. You think it would be better to start the works in the North and the South Island at once: what are the objections to doing it?—It is simply a question of finance. There is no obstacle in the way except finance and labour.

23. Last session of Parliament an Act was passed empowering local authorities to undertake this work—apparently on the assumption that the Government would not go on with the work in the South Island. If the local authorities could do it in the South Island, would not it be quite as easy for the Government to do it?—Quite.

24. Because the local authorities would have to find the money and the labour too?—Yes. The difficulty with regard to the Government doing it is that they would have to face the expenditure for the whole of the South Island at the same time.

*The Chairman:* The Act applies to the whole of New Zealand. There are quite a number of places in the North Island which might take advantage of the Act.

*Mr. Parry:* You ask me how long it would take to carry out this scheme. It is very difficult to say, because it is really a growth. Take the district within three hundred miles of the Christchurch centre. It has taken three years, and we have not quite satisfied all requirements in that area yet. That is what I mean when I say it is a growth.

25. *Mr. Sidey.*] Could not you be going on with another work at the same time?—Yes; but Parliament decided that Lake Coleridge should be treated as an experiment.

26. *Mr. Hornsby.*] Have they reached the limit of the power at Lake Coleridge?—No. There is 8,000 horse-power there now, and the present headworks is capable of supplying a further 4,000 horse-power, and when that is exhausted it will be necessary to provide an addition to the headworks. The source is capable of yielding 30,000 to 36,000 horse-power altogether.

27. *Mr. Luke.*] Is that by diverting another river?—Yes, and constructing headworks.