one share for every two shares held, at a price of 25s. per share. In response to applications, 543,108 shares were allotted, bringing the company's paid-up capital to £1,635,379, at which it now stands.

262. In 1937 New Zealand Breweries erected in Wellington the Hotel Waterloo at a cost for the building of £126,000, and for building and fittings of approximately £155,000.

263. In 1937 J. Staples and Co., Ltd., went into liquidation. This company had been incorporated in 1889 with a share capital of £60,500, which was later increased to £350,000. On its liquidation in 1937 it distributed 116,391 shares in New Zealand Breweries valued at £2 10s. each. Taking that into account, the company's shareholders received by way of capital distribution the sum of £925,352.

264. In 1937 the Dunedin company of James Speight and Co., Ltd., also went into voluntary liquidation. It had been incorporated in 1897 with a capital of £60,000. On liquidation the shareholders received by way of capital distribution the sum of £869,625.

265. In September, 1937, Hancock and Co., Ltd., increased its capital from £250,000 to £400,000. It allotted this increase of 150,000 shares to its members as fully paid, the cash payment of £150,000 coming from the company's Fixed Assets Appreciation Reserve Account. In October, 1937, Hancock and Co. increased its capital from £400,000 to £650,000 by the issue of 250,000 preference shares of £1 each to be allotted for cash. New Zealand Breweries agreed to take these 250,000 preference shares, and then sold 60,000 of them to the New Zealand Insurance Co. at par. These preference shares are now paid up to 10s. each. The nominal capital of Hancock and Co., Ltd., is therefore £650,000, but the paid-up capital is £525,000.

266. In April, 1938, Dominion Breweries purchased the Market Hotel, in Grey's Avenue, Auckland, for £31,000. This hotel had been leased to Dominion Breweries in 1934 for five years at £1,560 per annum. The Government capital valuation made subsequently in 1940 was £9,105, of which the unimproved value was £4,420 and the value of the improvements £4,685 (Ex. A. 61).

267. In June, 1938, the Dunedin Brewery and Wilson Malt Extract Co. increased its capital to £75,000.

In June, 1938, also, Ballins Breweries took a lease of the Taita Hotel, Lower Hutt, for a term of ten years.

268. In July, 1938, Dominion Breweries increased its nominal capital to £500,000 by the creation of 250,000 ordinary shares of £1 each. In August, 1938, 50,000 of these new shares were offered to shareholders at a premium of 5s. per share in the proportion of one new share for every five shares held. The issue was fully subscribed, and at the 31st March, 1939, the issued and paid-up capital of the company was £300,000.

269. In November, 1938, the year of the licensing poll, Northern Properties, Ltd., reduced its capital from £75,000, divided into 75,000 shares of £1 each, to £37,500, divided into 75,000 shares of 10s. each. The reduction was effected by returning the shareholders' capital to the extent of 10s. per share and constituting the nominal value of each share at 10s. The reduction was made, as the Court papers show, on the ground that it was unnecessary to retain in the company, as capital, any larger sum than £37,500; and that, if any additional funds were required, they could readily be obtained by borrowing.

270. At the national poll held on the 15th October, 1938, the vote for continuance was 546,995, or 60·35 per cent. of the total votes; for State purchase and control, 96,131, or 10·61 per cent.; and for prohibition, 263,208, or 29·04 per cent.

The trade spent on this poll £66,200, and the New Zealand Alliance £1,650.

271. In November, 1939, Dominion Breweries offered 50,000 shares to its shareholders at a premium of 2s. 6d. per share, and this issue was fully subscribed. The issued and paid-up capital of this company at 31st March, 1940, was £350,000, and it has remained at that amount. The premiums paid by shareholders for their shares produced £57,924 2s. 6d., a sum which forms about half the company's reserve account.