

undertakings shows that we should—we feel sure it would not be long before Dunedin itself would be able to absorb the whole 6,000-horse power. Statistics are very clear on that point.

41. *Mr. MacGregor.*] You are solicitor to the company, are you not?—I am.

42. And you are also a shareholder in the company?—Yes.

43. A large shareholder?—Fairly large.

44. What do you call fairly large?—I hold 600 shares.

45. Then, besides being anxious about the Bill professionally, you have very large interests as a proprietor?—Well, I am a shareholder and solicitor to the company.

46. Were you one of the promoters?—Yes.

47. What did you get for that?—I was the original individual to get this right along with Mr. Richardson with whom I bought it from Mr. Lawson.

48. But what did you get as promoter of the company?—5,500 shares were constituted for the purpose of going to the shareholders who came in first—200 shares for every 500 shares they should subscribe for.

49. How many shares did you get?—Two hundred.

50. *Dr. Findlay.*] Did you get any cash?—No one got any cash. The exact position is that the company paid £5,500 for the water-rights by giving to the partnership who owned them 5,500 fully paid-up shares of £1 each.

51. What has been called up in respect of the contributing shares?—Sixteen shillings. The calls have been made as the shares went out. On the first shares the calls come to 16s.

52. Sixteen shillings has been called up?—Yes, on the first issue.

53. How many contributing shares have been issued altogether?—I believe between thirty-two and thirty-three thousand.

54. *The Chairman.*] Of what denomination are the shares—£1 or £5?—£1. On 16,000 of these 16s. has been called up.

55. *Mr. MacGregor.*] And on the remainder?—I think the amounts vary up to 6s., as they happened to have been issued.

56. So we may take it that the contributing capital is about £33,000?—That is so.

57. Can you state actually what is the paid-up capital?—No. The calls are practically paid up—the calls are good.

58. About £16,000 has been paid up?—Yes.

59. You have told us that the company was in a position to generate 6,000 electrical horse-power?—Yes.

60. These figures you have obtained, I presume, from your engineers?—Yes.

61. You do not state that of your own knowledge?—That is so.

62. You obtained that from Mr. Stark, who is present in the room?—Yes.

63. Where do you propose to have your distributing-station?—In the vicinity of Dunedin.

64. Can you not state it more definitely than that?—I can only say “vicinity.” If I said “Halfway Bush,” it has an area of five miles.

65. Is the site fixed yet?—It is in the vicinity of Dunedin in the most direct line we can find from the Taieri County, which will probably be at Halfway Bush.

66. It will be quite sufficient for my purpose if you say it is not fixed?—That is too indefinite. It is in the vicinity of Halfway Bush.

67. Notwithstanding that the company has spent this large sum of money, it has not in its corporate mind made up and fixed where the station is to be?—It is in the vicinity of Dunedin, towards the Halfway Bush.

68. Is there no plan in existence showing where the distributing-station is to be put—no spot fixed on?—There is no spot fixed yet.

69. And no land bought for the purpose?—No.

70. You spoke of a route across the Taieri County. Has a route been fixed upon?—No. The Taieri County has asked us, but we have refused because it was a matter for final determination by the officer under the Electric Lines Act.

71. Have you not got your order under the Electric Lines Act?—No.

72. So that, as far as we can see, the whole scheme is very much in the clouds, except that you have spent about £12,000 in a flume?—That is not so.

73. You have not spent any money except in fluming?—We have determined our line, but whether it shall go through Mosgiel or at the back of the hills close to where Lee Stream transmission-line goes is not yet determined. The Taieri County Council wanted us to decide, but Mr. Stark refused to go into the subject. They want us to go through the Taieri Plain, but we have not decided whether it shall go through to near Buntings or closer to Burnside. It is a matter for the engineers. It is more than likely that we shall debouch about the same spot as that where the City of Dunedin intends to place their sub-station.

74. You say that this work has been done on the assumption that you would be able to supply the City of Dunedin?—Well, let it stand at that—that we assumed that we would get into Dunedin.

75. Do you not know that the Corporation of Dunedin strongly objected to your scheme?—Apparently not. Far from objecting to it, the evidence of the Mayor, given in this House before a Committee, was to the effect that he might one day like to get the Waipori Falls for the purpose of getting the power into Dunedin.

76. Do you mean to say that it is only lately that you have been faced with this opposition?—That is so—only lately.

77. You know that the company has been negotiating with the city for the last two years?—The company has made, I think, three offers to the city, but the city has never said that it will not let the company in.

78. Do you mean to say that you did not know when you spent this £12,000 that if the City Council could prevent you you would not get your power into Dunedin?—I honestly say that I did not know that the city would go the length of opposing us.

79. Do you mean to say that any city would allow such a line to be laid down without protest?—I may be under a wrong impression, but I do not think the Corporation represents the desire of the city in respect of the matter.