

96. And a tunnel through solid rock will last for all time?—One is more permanent than the other. That goes without saying.

97. Paragraph 10: "That it would be unfair and prejudicial to the best interests of the citizens of Dunedin to allow to any private person or company such large and undefined powers of entering upon and breaking up the streets of the city and otherwise, as are proposed to be conferred by the Bill in question, for the purpose of competing with your petitioners in the supply of light or power by electricity or otherwise to the ratepayers of Dunedin." I just want you to state as shortly as you can for the information of the Committee what you as an engineer consider the objections to allowing a private company the access to the city that is proposed to be given?—Mechanically, of course, the objection is that you would have two city distributing-mains. In the first place you have the telegraph-lines and the telephone-lines, and you are going to have your return circuit for the telephone-lines, and you have your tramway overhead conductors. You are proposing to put your own distributing-lines in, and it will be objectionable to have additional lines. I am quite sure that if the Waipori power were brought into Dunedin it should be taken by the Corporation, and the current distributed over their own mains. I think a duplicate system in a town like Dunedin is objectionable. You might just as well have another set of tramways and another set of gasworks with power to cross each other.

98. In your opinion, then, I take it that you consider it highly inexpedient to allow a second company to come into the city and distribute power and light in the way proposed?—The whole of these services are now carried on by the Corporation, and I am speaking, of course, entirely from the point of view of a municipal engineer.

99. Is there any real force in the suggestion of Mr. Duncan in the course of his evidence that the manufacturers of Dunedin are gasping for this power?—I have no doubt the manufacturers of Dunedin will take the power if it is made cheap enough, but only a certain amount of it.

100. All the figures you have given us are compiled, I suppose, from the best available sources?—Yes, every manufacturer using power has been canvassed in order to find out what he is using, so that we could get an accurate estimate before us.

101. *Mr. Buddo.*] In whose interest?—The Corporation simply sent to each place and I have a list of them.

102. *Dr. Findlay.*] You are fortunate enough to be a shareholder in the Waipori Falls Company?—Yes.

103. How long ago did you take up your shares—this year or last year?—I was at the company's office one day when they were talking about the shares, and they said, "You ought to take up shares."

104. At what time?—I dare say it was a year ago.

105. Did you pay for them?—They took care of that. They are called up to 16s., and I paid the calls.

106. At the time you became a shareholder did you anticipate that the power would be admitted into Dunedin?—I took up the shares because it was considered that as engineer I should take an interest in the work.

107. You took up shares because you were engineer for the company, not because you thought they were worth anything—not because you thought it was a proper and reasonable investment, but simply because you happened to be engineer of the company?—Yes, that is so.

108. And I suppose your fees covered the amount of the shares?—Yes, and a good deal more.

109. A good deal more than you paid for the shares, and now you are here to give evidence against the company. "I have pleasure in expressing the opinion that your rights are extremely valuable, the power available being almost incredible for the length of the race, while the cost per horse-power for hydraulic work is extremely small. I am also able to affirm that I know of no hydraulic power in New Zealand within such easy distance of a large centre like Dunedin which will come anywhere near that available from your rights and at the same cost." Did you write those words?—No.

110. Can you say how they happen to appear under your name in the company's prospectus?—Yes, that report was written by my assistant, I was not in the colony at the time.

111. Were you paid for this report?—No.

112. Did you ever disavow it?—No.

113. You knew that this report was being used for the purpose of getting money from people and you never took an opportunity of disavowing it?—No.

114. Is that statement true?—Yes.

115. Then it is within your knowledge and judgment that there is no hydraulic power in New Zealand within such easy distance of a large centre like Dunedin such as is owned by the Waipori Falls Company?—Yes, I think it is a very valuable power. It is in contiguity with that of the city. Most of the powers in New Zealand are far removed from the large centres of population.

116. You say the total amount of energy which the Lee Stream will yield to Dunedin is 2,130 electrical horse-power. What do you refer to?—That is the water-power to be derived from the present works.

117. What electrical horse-power will reach the power-house in Dunedin?—2,130-horse power.

118. From what source?—The present works.

119. They are the only works at present contemplated by the Corporation?—No, the Corporation holds rights over the Taieri River.

120. I take it that the only present works undertaken by the Corporation are at Lee Stream?—They are the only ones in operation.

121. Then, all that power will be required for the tramways?—No.

122. If they installed the lighting system, what amount of power would be required, do you know?—No.