

32. So that you have, apart from the philanthropic feeling which Mr. Duncan expressed, a large personal stake in this venture?—I have a large stake for me.

33. And you tell us there has never been the slightest approach or wish from the Corporation to acquire these rights?—That is so.

34. Have you seen the correspondence between the City Council and Waipori Company?—It is probable that I drafted the correspondence. The only correspondence I have seen is an offer to sell them power.

35. Was there not an offer by correspondence to purchase the rights of the Waipori Company?—I never heard of such a thing.

36. I suppose you are aware of a letter that was written by your company to the City Council on the 27th February offering to supply water and Pelton wheels?—There was, and I attended the Council in support of it.

37. Was there any reply?—If so, there was a very formal reply.

38. This is the letter sent to you as chairman of the company: "SIR,—In reply to your letter of the 27th ultimo, offering to supply water to the Dunedin City Council for the generation of electricity, I have the honour to inform you that the Council cannot see its way to accept your offer. Should your company be prepared to offer its water-rights to the Dunedin City Council, consideration will be given to the offer.—I have, &c., THOS. B. FAIRBURN, Town Clerk." No reply has been made to that up till now. And yet you state that no offer was made or wish expressed to purchase the water-rights of the company?—No.

39. Now, with regard to the suggested purchasing clause: you think the Corporation might be in such dire straits as to be compelled to purchase?—That is so.

40. Why do you suggest that the City Council might be in dire straits?—The time might come when it would be imperative for it to get all this water-power. I say that it is not unreasonable to request that such a clause be inserted in the Bill.

41. You were good enough to criticize somewhat freely Mr. Hay's evidence. He is an engineer of very much more experience than yourself, is he not?—I have every respect for his opinion.

42. You gave us your idea of the coal business?—I did.

43. Do you suggest that he gave wrong evidence about the price of coal in Dunedin?—I do, emphatically.

44. You think that he deliberately tried to mislead the Committee?—No, but I thought that, as a civil engineer, he had not considered the matter seriously. I thought, as a manufacturer, that if he had gone into it he would have found out his mistake. England and America are our industrial competitors.

45. Do you seriously suggest that you can compete in Dunedin with English and American manufacturers?—We have done so. For your information, I might state that when we started our business we had only 5 per cent., while now we have 90 per cent. of the trade.

46. But you have a tariff. You said also something about the Taieri scheme, but your only knowledge of that was derived from the newspapers?—Practically, I have read all the reports from time to time presented by the engineers.

47. Did you hear Mr. Hay give his evidence yesterday?—Yes.

48. He told us that the power from the Taieri could be transmitted to Dunedin by the same transmission-line at a slightly additional expense. I asked him about the cost, and he said it would come to £20,000 or £30,000?—I should like to ask whether, after dropping the water from the Lee Stream, it is possible to bring in the Taieri River at such a level as would warrant your bringing it to that station, or whether it would not be better to have a separate generating-station on the Taieri.

49. Do you seriously pit your knowledge of the Taieri Stream against that of Mr. Hay?—Absolutely, no.

50. Then, why give evidence upon it?—I did not give evidence upon it. I simply read reports about it. We know it is a fact that the Taieri was abandoned. I think it was recommended by Mr. Hay some time ago, but it has been abandoned.

51. Did not the evidence you heard yesterday show that the Taieri scheme has not been abandoned?—I do not know.

52. How many shareholders have you in your company?—I think about a hundred and sixty; I would not be sure.

53. And you have fourteen hundred petitioners?—I have not seen the petitions, except that of the manufacturers.

54. You said yesterday that you had got quite a number of schedules signed?—Will you allow me to refer again to the question about the Taieri? On the Goldfields Commission Mr. Christie gave evidence and said it would be a big expenditure, and no one knew whether it would be faced or not.

55. You know, as a matter of fact, after that evidence was taken, that the Waterworks Bill was passed on the 27th November, 1903, giving the Council power to harness the stream after three years?—With certain restrictions. There is no evidence of going on with it. The Taieri Stream was abandoned and the Lee Stream adopted.

56. About those schedules of horse-power that you referred to: have you got them with you?—Mr. Stark has them, and will probably produce them. When I mentioned that 3,600-horse power was applied for, I meant that it was through the whole of the area we proposed to supply. Since all the others outside of the city agreed with the petitions and did not oppose the Bill, I only thought it necessary to bring sufficient evidence of the applications received within the city-boundary, and the schedules here are restricted to within the city-boundary. The form of application and schedule required will be produced by Mr. Stark. There is one with regard to the calcium-carbide factory.