

248. Did you get application from Dargaville for a loan of £8,500 to establish municipal gasworks?—I do not remember it, but if it is in the return it is correct.

249. Did you decline it?—Yes.

250. Why?—I cannot give the reason.

251. Did you get an application from Eltham for a loan of £10,000 to construct coal-gas works?—Yes.

252. Did you refuse that?—No, we granted that.

253. Did you get an application for £3,300 for Riverton to instal coal-gas works in the borough?—Yes.

254. Did you refuse that?—Yes. There were three periods in connection with gas loans. First of all we declined them because we thought we would want the money for other purposes, and when we found we had plenty of money and could not get it out we allowed it for gasworks, which will explain the apparent inconsistency.

255. Did you get an application from Sumner for a loan of £10,000 for gasworks?—Yes. We refused it at first and granted it afterwards.

256. What made you refuse it at first?—We did not think it necessary. We refused the first loan, but afterwards when we were getting a lot of money in and not getting it out we thought we might extend it to gasworks. There were three periods in connection with gasworks. Dargaville came into one of those periods in which we were declining those loans for gas.

257. Now, in regard to the Sumner gasworks, you first declined the loan on the 21st March, 1910?—Yes, very early in the proceedings.

258. What minute did you put on it?—The same minute—that it was not a necessary work. It was rejected by the ratepayers. Afterwards when they got the consent of the ratepayers they came again.

259. Will you kindly read the minute you put on it yourself?—Yes. “Grounds for declining not stated, but gasworks not considered a necessary public work.” A telegram went to that effect.

260. Then, on the 21st March Mr. Laurenson interviewed you, and you sent a reply?—Yes. “Mr. Laurenson interviewed me this morning *re* gasworks loan. Regret no hope of being granted on reconsideration.”

261. Then, on the 25th June you wrote to the Town Clerk: what did you say?—There is a telegram. “Town Clerk, Sumner.—Have any arrangements been made for borrowing money outside Advances Department? If not please delay, as granting of money will be reconsidered by Board on Friday next.”

262. Why did you reopen the question again?—I suppose we were getting a lot of money in and were considering other applications. It was discussed by the Board, and we thought we might give them reconsideration. I suppose that was the reason.

263. You say you suppose you were getting money in?—Well, that is the only reason I can give. We did not want the money for any other purposes.

264. Would it not be reasonable to let the money go for advances to settlers?—We had any amount of money at this time; we had a five-million loan.

265. You reopened it for what you considered an unnecessary public work?—Yes, first of all we did not think it necessary. We thought the money would be required for others, and after that we had plenty of money.

266. Did you reopen it for Dargaville?—No; I think Dargaville came in later when we were short of money.

267. Did you reopen it for Riverton?—No, that was a later loan.

268. Did you reopen it for Otane?—I do not know. The refusals and acceptances will be found to coincide with these three different periods.

269. How much was lent to Sumner for gasworks?—The first application for £12,000 was rejected by the ratepayers, and the second was for £10,000.

270. When was that provisionally approved?—On the 10th October, 1911.

271. Now I come to the Harbour Boards. Do you consider those necessary public works?—Yes, in some cases very, very necessary. For instance, Wairoa was a very necessary work. It is the only means they have for getting their goods out of that place.

272. What was it for?—Construction of harbour-works at Wairoa. The first application was rejected on my recommendation to the Board. I thought it was a large sum for what I considered then a small place, and I was afraid that it might result in another Oamaru business. Then it was reopened by a deputation that came to Wellington. I explained to them why it was rejected, and they gave very cogent reasons why I was wrong, that the district was very much more prosperous and wealthy than I had thought, and they also urged that it was the only access they had. The railway would not be made for some years, and they said they must have a harbour to get their wool and butter and other things away. The harbour had silted up, and there was only 2 ft. of water on the bar then. After the interview I told them that if they would put the statements in writing I would submit it to the Board for reconsideration. They did so, and wrote a very good letter, which was then submitted to the Board, and after discussing the whole thing the former resolution was rescinded and the loan granted.

273. Was it declined after the Engineer's report was sent in?—Yes.

274. And was the loan for £78,000?—Yes, I think it was a large loan.

275. When was it provisionally approved after being declined?—It was declined on the 16th February, 1911.

276. After the Engineer's report had been sent in?—Yes. As far as I remember the amount was £78,000.

277. I want the date of the second provisional approval after having been declined?—The 21st August, 1911.