

not be fair. The applications will be put in as received by the Board. If we had money and we have not already refused a local authority, and it came in to our hands, we should then go back to the first preceding application and tell them that they could put in a further application.

90. *Mr. E. Newman.*] Mr. Kember, if a County Council had received £5,000 for expenditure on local works and put in another application for £2,500, would they get it if the security was all right?—It depends on the time after the receipt of the £5,000, and what they did with it. In all probability it would take over six months to spend it, but in all probability we should grant them the extra £2,500 if we had the money.

91. Do you not understand that the £5,000 limit meant that the local body should not get more than that altogether?—No, I did not understand that.

92. Would you be surprised if local bodies had been refused grants on the ground that they had already received £5,000?—There has been no such application as that.

93. Then you would be surprised if I could produce letters from the Superintendent to that effect?—Yes, I think so.

94. *The Chairman.*] There was an application from a local body up north a few months ago for only £240 on good security and it was refused. What would your explanation of that be?—Well, if you tell me who it was and what were the grounds of the refusal I may know something about it.

95. The ground of the refusal was that they had exceeded the £5,000?—How long afterwards—it must have been a day or two afterwards.

96. A month after they had received another previous loan?—I do not know.

WILLIAM ROBERT GAHAGAN sworn and examined. (No. 8.)

1. *Right Hon. Sir J. G. Ward.*] Are you Chairman of the Spreydon Road Board?—It is a borough now, and I am Mayor of the borough.

2. How long has it been a borough?—Two years.

3. Do you recollect the members of the Spreydon Road Board interviewing me in Christchurch in 1908 and pointing out their inability to obtain the necessary money for public works within the Road Board of Spreydon?—Yes, we were trying to get a loan.

4. Do you remember the amount of the loan you were asking for?—£20,000.

5. Do you recollect if you were one of those who waited upon me?—Yes, and Mr. Downes was also there.

6. Do you remember informing me that you could not obtain the money locally?—Yes, we tried hard to get the money locally but could not.

7. Do you recollect the deputation urging me to try and obtain the money in London for them?—Yes, and you promised to do so.

8. Had you any opportunity of obtaining that money until you got it from the State-guaranteed Advances Department?—We made several attempts, but we could not get it. We were willing to give a fair amount. We had promises that we would get the loan if it were possible, but we could not obtain it.

9. Has that loan been expended in the borough as it is now?—Yes. The work is very nearly finished. We just got our last £1,000 a few weeks ago.

10. Has the expenditure of the loan been beneficial to the people there?—It has just made the place. Spreydon was then a Road Board, and adjoins Greater Christchurch. I might say that the area of Spreydon is about 1,400 acres, and it was in an out-of-the-way place and was practically dead. It is a real fine suburban place, and if we had not obtained the loan it would have been in the same position to-day. About the end of 1908 we had a population of fifteen hundred, but to-day I believe we can count on a population of four thousand. The capital value of the property then, I think, was £250,000, while to-day it is about £450,000. I can hardly explain the great difference it has made in the place. With that money we were able to widen the roads; we have laid down twenty-five miles of asphalt footpaths, and we have put in twenty-five miles of concrete channeling. You could hardly imagine the difference in the suburb, and building is going ahead very fast.

11. Do you attribute that to the money you obtained from the State-guaranteed Advances Board?—Certainly. It was a district where a number of persons held properties ranging from 2 to 10 acres, but those properties have been cut up and roaded, and since we have been a borough we have been able to compel them to put in asphalt paths and concrete channels, which has advanced the district. Anybody who had been there two years ago and went three now would hardly know the place.

12. Has the expenditure of that money contributed to healthier conditions for the people who live there?—Certainly. Through the expenditure of that money there is one part of Spreydon—the Bowden Estate—which has been drained. That could never be drained properly; it was like a basin; but, owing to the works that were carried out, we were able to alter the drainage district and thereby drain this Bowden Estate, which we were not able to do before.

13. Are there many workers living in the borough?—They are chiefly members of the working-class. There are a lot of the Addington Workshop employees living in the district. I suppose the boundary of Spreydon is about a quarter of a mile from the Addington Workshops.

14. And prior to your obtaining this advance from the State-guaranteed Advances Office you were not able to put any of those works in hand?—No, we were too poor.

15. In regard to the workers to whom you referred, does it mean that by going out of Christchurch they are able to get lower rents?—Yes, certainly. When they cut up the properties they got a quarter-acre section for about £80 or £90. They were good cheap building sections of about 50 ft. or 60 ft. frontage. They were not put to any expense in altering the sections, as they were level, and they could grow vegetables or anything else on them.