

55. *Hon. Mr. Cadman.*] Is all the water in Holmes's race now being sold?—No.

56. Why?—There are not sufficient parties connected with the race to take it. Holmes can supply eight parties per day.

57. How long have the parties connected at the present time had it?—We made a calculation showing the time. One claim in connection with Holmes's race will last for fifteen years. It is very deep ground—about 150ft. deep.

58. *Mr. Duncan.*] Do they sluice the whole away?—Yes; with ten heads. They cannot take the water the full time. There are perhaps four or five shifts per week. There are one or two more in the same position. Altogether about six claims are connected with Holmes's race.

59. There is no chance of being able to dispose of all the water on that portion of the field?—No; all the ground is taken up for years near Holmes's race.

60. How long will it take before No. 1 and No. 2 Channels will be worked out?—In No. 1, several claims have been worked out since it was constructed. The remainder average four, five, and six years before they will be worked out. In connection with No. 2 Channel there is one party that might be worked out in nine months, and after that the remainder will last four or five years.

61. *The Chairman.*] How many men would be employed in addition to those now employed supposing your request was granted?—There are fifty-two men who, unless this work is done, or further water supplied, will have none to work with.

62. Any additional employment to be given than that?—Yes; more ground can and will be worked in connection with these channels. Unless water is provided these men will have none to work with.

63. I will put it this way: If your request is granted would it give additional employment, or would it simply keep these men on the field?—It would certainly give additional employment.

64. To how many men do you say?—I should not like to say.

65. *Mr. Guinness.*] To the best of your belief? Men might take up ground, and the only way extra men can be so employed is by taking up the extra ground?—Yes; there is sufficient ground for fifty men if they like to take it up.

66. *The Chairman.*] But is it good payable ground for fifty men?—It is the usual average. It is poor ground, but the men have to stay on it.

67. You presume that it is average ground—that it will be payable ground?—Yes.

68. *Mr. Guinness.*] If this race is not purchased by the Government, will these men that are now connected with these two channels be all able to continue their work?—No.

69. How many will have to knock off?—No. 5 would have no provision for working and would all have to knock off. The supply is only equal to the present demand. There is no Government water to supply the extra channels.

69A. *Hon. Mr. Cadman.*] Will there be no extra water?—No.

70. *Hon. Mr. Larnach.*] The two new channels that are being made by the Government are intended for use on your present race?—Yes.

71. Will these two new channels be enough to carry in the extra water supplied in the event of this work being done?—Yes; and even then there will be a shortage of water, unless Holmes's race is purchased.

JAMES HOLMES examined.

72. *Mr. Guinness.*] Will you state the length and carrying-capacity of your race?—I have a plan of it here; it was drawn up by Mr. Martin, late Resident Engineer for Westland. [Plan produced.] This race carries fourteen heads to the other one. I store the water in the lower one in the night-time, and can distribute twenty-four heads to the field.

73. It is capable of distributing that for twelve hours?—Yes.

74. What do you estimate the cost of the different dams and water-race to be?—They cost me, I suppose, from £12,000 to £15,000.

75. What are you getting per head for the water?—The same as the Government; there is an agreement between us.

76. How long has that agreement existed?—Some years.

77. Who was Minister of Mines when this was entered into?—Hon. Mr. Larnach, I think.

78. *Hon. Mr. Larnach.*] How long was it since it was entered into?—It was just before or after your time. I think it was through you going there.

79. Please tell us the time it was entered into?—It was before the Premier's time.

80. Was it the Hon. Mr. Richardson?—I cannot say.

81. *Mr. Guinness.*] What do you say about this question: Is it possible to connect your race or its reservoir to where the Government starts its race at the main tunnel?—Yes; it can be done at a very small outlay. It needs only cutting. It can be taken into the natural creek, and dropped into the Government race at the outlet of the tunnel.

82. You say that the Mines Departmental statement, that the level will not permit that being done, is wrong?—Yes. At the time it was surveyed, when the Government dam broke away, we were only paddocking, and it was never carried out.

83. What would you say would be the cost of cutting it?—I think the estimate is a fair one—about £100.

84. What is the price you are asking for your interest?—£6,000. The Miners' Association came to me to see if I would sell. I would like to explain. My race runs down on the north side of the goldfield. The ground is getting worked out, except what the race stands on. This is all good auriferous ground. My men and the Government men go up and down the race together. My race could be managed by the Government men. By connecting my pipes with the Government pipes they could be brought over the marked ground, which would release a lot of ground which is highly payable. The ground on the flat would have to be worked from Sandy's Terrace. It is so far back from the river that I should have to go to a tremendous cost to carry a syphon