

across the cutting on to the new ground. Mine are all private parties. I have no sludge-channel; the sludge-channel has filled up all the ground below, and my men are bound in by the tailings. My race would cost a great deal to syphon across. The Government one comes out at the top of the field, and gains the pressure by running round Sandy's Hill.

[*Mr. Morris* said he would like to explain that this was where he thought the Government could take the water. There is a sawmill connected with *Mr. Holmes's* race, and the water drops down from his race between 30ft. and 40ft. to drive this mill. After working the mill it runs down to the field, so that from the point where they said it could be taken into the Government race it drops 40ft. or 50ft., and could be easily carried to the Government race.]

85. *Mr. Guinness.*] We can instruct the Government Engineer to take the levels and settle this question.

86. *Hon. Mr. Larnach.*] How long have you been at Kumara mining?—Witness (*Mr. Holmes*): Seventeen or eighteen years.

87. You have seen it from its earliest days?—Yes; it was a company at the first that constructed my race, and I took it over from the company.

88. You mean the race?—Yes.

89. You had been mining there some years before?—No; I signed a joint and several promissory note, and had to take the property over. That is how I got into possession.

90. It did not occur to you to get the guarantee of the colony?—No.

91. Have you any objection to tell what it cost you?

*The Chairman:* We have had this in evidence.

92. *Hon. Mr. Larnach.*] Do you object to tell the revenue from the race at the present time?—About £100 a month; but there are expenses to take out of that.

93. What are the expenses?—About £400 a year.

94. You have £800 clear?—Yes.

95. Supposing this arrangement was consummated, would the revenue that you derive in respect of your race be affected in any way?—No.

96. Would it have the opposite effect? Would it be likely to increase the earnings of the two races; would they be increased?—Yes, I think so, for this reason: that, as I said, my man and the Government man go up and down together. The expense I am put to could be done away with altogether.

97. Would it lead to economy in management?—Yes, it would save fully £250 to £300 a year in management if worked as one.

98. How many actual miners are there working on the field?—I could not tell you that.

99. I want to get at the number dependent on the miners.—I could not give you that information.

100. *Mr. Mills.*] Can you tell the Committee of your own knowledge what fall there would be between the terminus of your race and the drop into the Government race?—There is a good fall. My race is much higher than the Government one. It is a good many years since it was surveyed.

101. What would you estimate it—give us something near the mark?—I should say it was fully 20ft. higher. The distance is not half a mile.

102. *Hon. Mr. Cadman.*] I understand you to say you had to take this race over?—Yes.

103. What did you pay for it?—£4,500. There was only the frame of the race; I had to make the race and everything else larger, and construct the big dam. It was for the rights to it—that is about all. I can safely say it would not carry five heads of water when I got it.

104. You say it is bringing in £800 a year clear now?—Yes.

105. Why, if it is bringing in that, are you anxious to sell it for £6,000?—Because my parties are all clamouring to have it run into the No. 4 channel; they want to connect with it, four out of the six.

106. If the Government do not buy this race, what is going to be done?—I will have to keep it, I suppose.

107. If the people want it and cannot get it, how long is it going to stand over?—I think it is to the advantage of the Government to purchase it; there is no doubt in my mind about it, because it can be run into it at a very small cost. We are running together.

108. You are willing to sell at £6,000; at 6 per cent. that is about £360 a year, and you are willing to give up £800 a year in order that these people may have the race?—I would have to go to a good deal of expense to connect with the other, and my land is getting worked out. I do not suppose my revenue will keep up. It has been falling off year by year.

109. *The Chairman.*] Your present income from the race is about £800 a year?—Yes.

109A. Was it at any time more than that?—Yes.

110. Has it been decreasing?—Yes; it is likely to decrease.

111. *Mr. R. McKenzie.*] The parties using the race will soon have to go into the Government channels?—Yes.

112. If you were to continue to supply them with water you would have to go to considerable expense?—Yes; some of my men are worked out, and I would have to go to a big expense to get into the new claims, and they have an objection to coming to me because they think they are better treated by the Government.

113. By cutting a new race from this point to this the Government could get a very considerable supply of water?—Yes.

114. I might ask your opinion as to whether you think that flat below the Hokitika Road is likely to be worked?—I think it is. Certainly, it will be at very low wages and cheap water.

115. *Mr. Guinness.*] You said in answer to the Chairman that your revenue previous to now was more than £800 a year; it is now £800. Is it likely to decrease if this race is not connected with the Government race?—Yes.

116. Is it not likely to decrease from the fact that your parties want to connect with the Government channels?—Yes; they are blocked out.