

117. If there was tailing-room, is there sufficient ground to keep up the present revenue?—Yes, there is a good deal of ground to be worked there yet.

118. *Hon. Mr. Cadman.*] I am not quite clear about this twenty-four heads of water. Can you obtain twenty-four all the year round?—I cannot guarantee it; it depends on the weather.

119. Take last year?—I lost a very little time, but I was not running full; my parties have fallen off. Mine has been decreasing from year to year. I have not been running full time. I have run eight parties, taking the ten and twelve heads of water, besides the wheels, the whole year without stoppage.

120. Would it be a fair average to say twelve heads all the year?

121. On the average of the past?—I have run twelve heads; yes, and more.

122. Suppose the Government would take over this water-race, the other would have twelve heads besides the twenty-four?—If the race were taken over it could supply fifty men.

*Mr. Morris:* It would go towards supplying, but not fully.

123. *Mr. Mills.*] Can you tell the Committee what the race has been valued at under the Mining Act?—It is £6,000.

124. *Mr. Guinness.*] For rating purposes?—Yes; that is what it has been all along.

HENRY A. GORDON examined.

*Mr. Gordon:* In reference to the Report of the Mines Department that the water will not run into the Government race at the head of the race tunnel, what is meant by that is that Holmes has a race going down here [indicating on the map the point mentioned], and that it is at a lower level than the Government race. I could not say what point this [indicating it on the map] is. This race of Holmes's is at a much lower level than the Government one.

*Mr. Guinness:* Yes, at that point.

*Mr. Gordon:* I could not therefore say of my own knowledge whether there is a fall from one point to another. Further than that, Holmes has parties working at this point [indicating it], and a certain number of the men, if they do not get water at this point, would have to take it at this [indicating it] point. Any extra men would have merely the difference between the quantity of water that Holmes's men require and the quantity the race would carry. As to its giving any more employment, at the outside there would be only an addition of twelve heads of water that would be of benefit to the field. There is another point: There are two races on that ground, and there is a lot of it if the whole was worked, but the men do not believe that the whole will pay to work. At the other tunnel we are giving the men flushing-water to the extent of twenty-four heads, I think, and a lot of that ground will be worked out. These tunnels were made in order to utilise the water. As the ground was being worked out this other tunnel was projected, in order to utilise this ground at this point [point shown on map]. This ground is worked out: in ordinary weather there is more water than we can sell. In dry weather it is short in this tunnel as well as in the Kumara Tunnel. As far as any advantage to the Government is concerned, it will be of very little to have that race at all, if we look at it in that light. Whatever flushing-water there would be, the Government would get more water and would be able to sell more; but the flushing-water is given away gratis, and is of no benefit to the Government as flushing-water. No return is got from it. That is really how the thing stands.

125. *Mr. Guinness.*] Would not the fact of flushing-water being provided also give employment to additional men who would open up additional ground?—I do not think it would, for the simple reason that the men get a lot of spare water now except in remarkably dry weather. In ordinary weather there is more than we can sell, possibly, and it is divided among the men; and there would be very little increase to the revenue with twelve additional heads.

126. Would you get the revenue that Holmes is getting now? Would you not be the proprietors of that part of the field where his men are now?—I am doubtful of this ground: a lot of it will soon be worked out.

127. Do you agree with his statement that these men he is supplying are being blocked up because of the sludge-channels and the tailings-room being taken away?—I believe that is correct; but when they get into one of these channels, then it is for them to combine together and keep the channel clear.

128. Do not you think the effect of their being connected with the Government race would enable them to connect with the Government channels, and thereby get additional tailing-room?—Some of them would and some would not. I could not tell exactly the position of the different parties.

129. If it was so, would it give additional employment?—I do not know.

130. Or additional time to work?—I do not know that; but it would have this effect: that they would not require so much water to work their claims. It would not require more water to carry away the tailings than in the private tail-race.

131. Would it extend their workings?—I do not think it would. I cannot say whether their tailings will soon be stopped.

132. Holmes says his parties can occupy good auriferous ground. Would it not work a lot more ground lower down?—I have not the slightest doubt there is a lot of good ground, but I think it is on private property.

133. *Mr. E. McKenzie.*] The Government race is not on private property?—No. I mean there is private property all round it (*i.e.*, Holmes's race). It goes through the Town of Kumara.

134. That is not private property. Is it not land leased from the Government?—You will have to pay compensation, and that amounts to the same thing.

*Mr. Morris:* I should like to say a word here. Mr. Gordon says the new tunnel was constructed so as to utilise the water the Government has at present, and that this ground is worked out. It is so as to use the water that is going to waste. I should say there were at the very least from 80 to 100 acres of flat country at the back of Kapitea Hill being worked at present, and it is