

but before this Committee I have no objection in doing so. While on that question, and as you are not likely to ask the question of me, I may say that water at the Kumara is double the price that it is at the Thames, where water is scarcer.

57. Perhaps it would be as well to state what, in your opinion, was the amount of capital the Government expended before they could use this water.—There is no doubt that a very large amount of capital is required to open up water-races in Kumara.

58. Would you tell us, now, what you estimate would be the cost to the Government, outside the question of purchase, to put the race in good order to secure what water is available for the benefit of the district?—About £1,000. There will be close on £400 for that two miles and a quarter, and £250 for the branch race; but I would not be inclined to cut the branch race. I would make Holmes's race supply the low levels without our interfering with it at all. We have to send down a portion of our high-level water now to supply our low-level claims, and, instead of sending that down, we could send Holmes's water down. About £1,000 is my estimate of what it would require.

59. *Mr. C. H. Mills.*] How much larger is the race below this Cashman's than the portion of two miles and a quarter you have referred to?—It is about double.

60. Is it larger than the head portion of the race—the one mile?—It is larger even than the one mile.

61. By putting this water from Holmes's race into the Government race at the mouth of the tunnel would it not give much greater pressure for the work of the miners on the low ground?—No; it would do, could it be taken advantage of, but this is all low ground, and there is no way of carrying out the high-level water; there is not ground to carry it on.

62. What is your opinion as a business-man about the advisability of the Government purchasing this race?—If I looked at it as a private individual, interested only in the field as a speculation, and as one who did not care about the goldfield as long as I made money, I would not buy it unless I got it at a fair price; but you will look at it from a wider point of view than ordinary commercial men.

63. If you owned the Government race would you consider it a good business transaction to purchase Holmes's race now?—Yes, if I got it at a fair price.

64. What would you consider a fair price?—That is one of the things I can give you no information upon, as I have no idea of the revenue from Holmes's race. Since I received my instructions I have been taking more notice of what water it has been disposing of than I did before, and I should say that from £4 to £5 per day is what he is receiving. At one time, taking an average from 1890 to 1893 or 1894, he must have been making £1,000 to £1,200 a year clear from it.

65. How long, in your opinion, would he be able to maintain that revenue? I mean, what extent of ground does that race actually command?—I think, from what we know at present of the ground available for mining, it would last for a good few years yet; but on a goldfield you are never sure of what will take place. If there is a new development it may be worth a great deal more.

66. If he sold it to any other person, and they chose to lower the price of water from that race, would that necessitate the Government bringing down the price?—I think it would.

67. Do you think, if this race of Holmes's was purchased at a reasonable price, the two combined would still return a fair amount by way of interest and sinking fund to the Government?—I think the Government race itself will return a fair return for many years to come.

68. Still the Government would get good interest for this extra outlay?—Yes.

69. *Mr. R. McKenzie.*] You have two sludge-channels, Nos. 4 and 5?—No. 4 is just completed, and No. 5 is in course of construction.

70. And you require an additional supply of water to work them when they are finished?—Yes; it will require more water than the Government race has.

71. How much additional water do you reckon you will require?—It would be mere guess-work if I told you.

72. You can tell us approximately. Supposing there are twelve claims on this No. 5, and all turn to work?—But supposing some of them do not turn out? You cannot tell how many claims will work.

73. What is the lowest quantity of water you can work with to make them workable?—The No. 4 will work about sixteen heads at the least for one party only, and two parties would not require double that quantity.

74. What about No. 5?—It will require more water than any channel we have, because the grade is lower.

75. What would you say was the least quantity you could work No. 5 with?—The same quantity, but you would not send away the same amount of stuff.

76. Well, to send away fair washing?—It would require about ten heads for each claim at least, but you could run thirty in it—that would be, thirty heads supplied to the claims, and twelve heads of flush-water, or forty-two heads altogether. Flush-water is being supplied by the Government hitherto free.

77. In answer to Mr. Cadman you said that if the Government took over Holmes's race you would not divert it at all?—I think it could be almost entirely used on the lower grounds, and our own water kept on the higher grounds.

78. To work these channels at all you require more water; you cannot work them with the supply you have at the present time?—Of course, if the claims keep up that there are now, and twelve claims were added, we could not supply them all.

79. That means that you cannot supply them?—We make it a practice always in Kumara to give the old claims all the advantages so as to keep them going fully, while the new claims would have to take their chance.

80. From Cashman's dam you would carry from twenty-three or twenty-four heads?—About twenty-four heads.