

22. The object of purchasing Holmes's race is to have water available for working the ground which Holmes's race does not command; is that so?—Yes; that statement is correct.

23. What is the nature of the ground to be served, and what will be the prospects of the miners?—It would be somewhat poorer ground; it would pay small wages; but poorer ground is worked at Kumara.

24. Is it as poor as the low ground marked on the map?—It is about the same.

25. Then, the purchase of Holmes's race by the Government would not result in bringing a wider area of richer ground into work than is now worked?—No, not richer.

26. Is it not stated otherwise in the petition?—The ground along both races is good ground; and, if Holmes's race were purchased by the Government so that both might be worked from one starting-point, the shifts could be arranged so as to work the whole supply more conveniently.

27. Holmes's race commands a certain area; it is alleged that the Government purchasing it and turning it into their race would command another area; what I want to know is which is the richer area?—The background, which is about the same level as the ground about Teremakau, is not commanded by Holmes's race.

28. Which is of the greater value?—They are about equal.

29. That being the case, would it be advisable to take any water away that is now sent down to this low ground and put it on to other ground?—It would not be advisable until this front ground is worked out.

30. How long will that be?—I can only refer you to the table already mentioned.

31. You have given some evidence as to revenue?—From £4 to £5 a day is contributed by the miners.

32. That would be supplemented by something that the mill pays, so that if the water did not go down there nothing would be received for it?—A very small amount.

33. *Mr. Allen.*] I want to ask you a question about the clause referring to that subject which states that it is somewhat strange that Mr. Holmes, receiving £2,556 per annum, should be disposed to sell for £6,000; is that correct?—No.

*Mr. Guinness:* If you refer to what Mr. Holmes says himself you will find that it is correct.

*Hon. Mr. Cadman:* Holmes says that his net revenue is about £800 a year.

*Mr. R. McKenzie:* He said, I think, that his receipts were about £1,200 a year.

34. *Mr. Fraser.*] Do you consider the desire manifested by the miners in that district that the Government should acquire this race arises from the hope that they will get water cheaper than they do at present?—I have no doubt of it.

35. *Hon. Mr. Cadman.*] Will you tell us how many hours a day they use this water, which they get for £2?—£2 is the price at Kumara for forty-eight hours' water, three-hour shifts. It used to be four, it is now three. If they run for two hours we charge for two hours. At the end of the month we put it all into the eight hours a day.

36. You get a run of water for forty-eight hours for £2?—Yes, per sluice-head.

37. Virtually they pay only £1 10s., for there is an allowance made?—Yes; there is an allowance made which makes it equal to £1 10s. a week.

*Mr. Guinness:* There may be an allowance made to some, but the working-miner earning £3 a week gets no allowance.

38. *Mr. Allen.*] Your evidence tends to show that they want to secure a reduction in the price of water?—I have no doubt that actuates them to a large extent; they expect to be better off with the Government than they are with Holmes.

39. Will you tell us if there is any reason that you know of why the Government should not reduce the price?—My opinion is that it would be better to reduce than to give so much free water.

40. You say there is no reason that you know of why they should not reduce the price?—Well, there may be reasons, but I do not know them.

41. *Mr. Fraser.*] Would not the fact of the Government reducing the price compel Holmes to do the same?—Certainly it would.

*Mr. Kelly:* Only to the extent of the three claims that have been mentioned.

42. *Mr. R. McKenzie.*] Mr. Allen has asked you whether there is any necessity for the next six or ten years to turn the water of Holmes's race into the Government race; that means that it would take from six to ten years to work out the ground commanded by Holmes's race; is it the fact that you have two sludge-channels?—Yes, Nos. 4 and 5; No. 4 is finished, No. 5 I expect will be finished soon. We have enough water for No. 4; there is only one party at work; the probability is that in about twelve months from now we will be short of water.

43. Do you expect to have any parties falling out during the next twelve months?—Three parties have fallen out during the year.

44. Would they work in No. 4 or No. 5 channel?—Some of them probably would.

45. How long would you think it a reasonable time to expect that the Kumara field would be worked out as regards this flat, I mean the ground altogether down to the road?—Fifteen or twenty years perhaps.

46. If there are more channels put in lower down, are you of opinion that the race will be fully occupied?—Yes.

47. *Mr. Guinness.*] Mr. Allen has said that it appeared to him that the only ground, apparently, for which Holmes's race was of any use to work was the unworked lower ground. Is it not the fact that Holmes's water-race is required to supplement the Government supply so as to work the ground on the high level at the back of Kumara?—Our higher-level race commands the whole field; the ground at the back is at nearly the same elevation as in front, but Holmes's water cannot be taken over to the background; it is too low for that, and it would require to cross a large extent of worked ground.

48. Would you not shut off some of your high-level race which would have to be supplemented by water from Holmes's?—I do not know that I quite understand your question.