

hydraulic-elevating principle. In consequence of these operations an extensive accumulation of tailings has resulted, the bed of the Argyle Creek being practically filled, and a portion of these tailings is brought down during floods and discharged into the Waikaia River.

Notwithstanding the great quantity of tailings brought down by the Argyle Creek, the Dome Creek, the Garveyburn, and other tributaries of the Waikaia River, the evidence tendered to your Commissioners shows that the bed of the river has not been raised, the velocity of the current being sufficient to keep its channel clear, though its banks in many places have been cut away and its course at times slightly changed. The Waikaia River flows through a low-lying valley, and in time of floods the water covers an extensive area of cultivated land. Some of the claimants for compensation state that at these times the water carries off a portion of their crops and washes away their ploughed land. This, together with the deposition of silt, causes considerable loss every year, and they are afraid, if dredging operations are carried on in the river, it will result in the river-bed being raised, thus increasing the liability of their lands to damage.

The landholders claiming compensation who have riparian rights on the Waikaia River and its tributaries which are likely to be affected by the proclamation of these streams are: Messrs. Tripp, Pinckney, and Tripp, Alexander Gall, D. Gillanders, A. Cameron, and D. and E. Hurley. All of these have given options over their lands for dredging rights to mining syndicates, at prices varying from £10 to £15 per acre, and by this act become parties to the use of the Waikaia River as a sludge-channel, and therefore contributory to the damage arising from mining operations to lands adjacent to the river.

None of the remaining claimants have riparian rights on streams liable to be affected by mining operations, there being a 1-chain reserve between their lands and the river. Some of these claimants have given options for dredging rights over their lands, ranging from £10 to £20 per acre, while one of the farmers has agreed to accept 5 per centum of shares in any company formed to dredge his land in lieu of a cash payment. Your Commissioners do not feel justified in recommending any compensation to those who have given options for dredging rights over their lands, for the reasons already mentioned.

The only damage the other claimants for compensation will sustain is for the extra deposition of silt on their lands in time of high floods. Your Commissioners have assessed what, in their opinion, would be full compensation for any prospective additional damage, and have set the several amounts opposite each claimant's name in schedule marked "C" hereto annexed, totalling in the aggregate £1,335 10s.; while the names of claimants who, in the opinion of your Commissioners, are not entitled to any compensation, for the reasons stated, are set forth in schedule marked "D" appended hereto.

One dredge has commenced work on the Waikaia River, about half a mile above Messrs. Tripp, Pinckney, and Tripp's land. This dredge is leaving a large bank of tailings in the centre of the river, which may have a tendency to scour away the banks. This method of depositing the dredged material is causing alarm amongst the farmers lower down the valley, who are afraid that if dredging operations are carried on in this manner opposite their farms they may be the cause of the river changing its course and cutting away portions of their lands. This, however, would not occur if the dredged material were deposited on the banks on each side.

Several companies have been formed to carry on dredging, and a considerable portion of the river and adjacent lands has been taken up as dredging claims; but, owing to the great demand there is at the present time for the construction of dredges, and the whole of the engineering firms being fully occupied, it will take at least three years before many dredges can be at work in this locality. Portion of the timber for one dredge is on the ground at Dome Creek, but a considerable time must elapse before it will be completed.

Taking into consideration the evidence tendered, and from personal examination of the different properties, your Commissioners recommend that the Waikaia River and its tributaries to their sources be declared channels into which tailings, waste water, and *débris* from mining operations may be discharged.

#### TITIPUA AND HEDGEHOPE STREAMS.

There is a large extent of land in the valleys of the Titipua and Hedgehope Streams which, judging from its formation, is to a certain extent auriferous. On that portion known as the Pebbly Hills, lying between the Titipua and Hedgehope Streams, mining on a very limited scale has been carried on for several years, and from what could be ascertained men have been able to earn about £1 a week with a cradle. Several dredging claims are said to have been taken up in the valley of the Titipua, but your Commissioners have no evidence to show the value of the prospects obtained, and are of opinion that sufficient prospecting has not been done to prove whether the land is likely to become payable for dredging or not.

In the valley of the Titipua, which is a tributary of the Hedgehope, and joins that stream about a mile above the confluence of the latter with the Makarewa River, there is a large area of land of comparatively poor quality which, if dredged and the soil returned on the top of the dredged material, would be rendered better for agricultural purposes than it is at the present time. There is only a limited area of land under cultivation along this stream, while the greater portion immediately alongside is in its natural state.

On the Hedgehope the land is cultivated on the north side for a distance of about eight miles above its confluence with the Makarewa River, and on the southern side for about half this distance.

As the waters from the Makarewa, the Hedgehope, and the Titipua in time of flood cover an extensive area of cultivated land, and the probable claims for compensation would be considerable, your Commissioners do not feel justified in recommending the issue of a Proclamation until prospecting has been more extensively carried on.