

worked into No. 2 and No. 3 Channels, and I do not see how it is possible that that water could be taken down to these other channels. There are others to be worked with this water. You cannot take the water from this point and give it to the other parties. I would ask Mr. Gordon if he thinks that the ground at the back of Larrikins will be worked by No. 3 Channel?

*Witness* : There is a tremendous lot of ground at the back of Larrikins that will never be worked at all, and you know that as well as I do. It would not pay salt. I do not think there are 80 acres, but, supposing there are, a very small portion of it will pay. It is no earthly good. It is better ground down below.

*Mr. Morris* : I am working a claim myself in the direction indicated, and if anybody would offer me seven acres below for one above I would certainly not take it. I maintain that it is far better. As far as the working goes, I am confident every acre will be worked in time. It is poor ground, but we cannot better ourselves anywhere else. In connection with this other matter, I should like to point out that, as to the two races, they are on auriferous ground at the present time.

*Mr. Gordon* : Is it from your claim to the school?

*Mr. Morris* : Yes.

*Mr. Gordon* : I speak of the piece from the breakdown to the back of the school. It is supposed to be as good ground as there is in Kumara goldfields. I think it is 14ft. or 15ft. above the Government race and running parallel for a considerable distance. These parties hold the rest, and it would simply make it poorer ground if the race was abandoned.

135. *Mr. Guinness*.] If the race was abandoned, what then?—Well, either could be connected with the ground that is now locked up. The Government has a race there, and that race is wanted to carry water into these workings; we want to take water on to that ground. We want to take water on that ground, but the people are allowed—it does not lock up the ground—the miners can shift the race. We have enough to supply them. They are taking part of the ground if they shift the race. In some instances we have paid half the price for shifting. That does not lock up the ground as far as that is concerned.

136. *Mr. R. McKenzie*.] Is it not proposed to take the water-race to Callaghan's?—You could not tunnel it. It is all Waimea water.

137. Would it affect your supply at Kumara?—It might in very dry weather; not otherwise.

138. How many heads do you anticipate requiring at Callaghan's?—About twelve.

139. *Mr. Guinness*.] Do you mean that the Government spent £5,000 to bring in twelve heads of water?—When you say twelve heads you only take it in twelve-hours' shifts.

140. I suppose you intended the weather to supply it before Nos. 4 and 5 sludge-channels were brought in?—No. 4 is only just completed. There is only one party working at that.

141. *Mr. R. McKenzie*.] When you started making No. 4, was it for one party?—It is really a question, to my mind, as to whether it will ever be worked. I remember waiting on you with a deputation on this question in Kumara some years ago, and you told us that the sludge-channel would never pay.

141A. When you have finished these two channels, will the Government have more water than they can use?—I believe by the time they are finished the Government will have all the water wanted. I can only speak as to the land behind Larrikins, with the land worked with it to the back of the terrace. It could not be made to pay, and they had to give it up.

142. Is it not a fact that ten years ago nobody worked that ground, because it was thought not payable?—These men would have kept on if they could have got anything at all.

143. Were they sluicing?—Yes.

*Mr. Morris* : In connection with the claim where the water-wheel is, I may say, they are working full time. They take on an average a shift and a half per day. There was a road, and the tunnel was driven across it to the end of the terrace. Now they have opened out, and are sluicing through the road to come to where they were before; and that party has ten acres, and have been working for the last eighteen months, and use on an average a shift and a half per day.

144. *Mr. R. McKenzie*.] What is your opinion as to the ground west of the Hokitika Road?—I believe there will be good ground found between the road and the beach.

145. If the Government buy the water-race, do you think it will pay?—All the additional water you would get, on Mr. Holmes's own showing, would be only twelve heads: that would be a mere flea-bite.

146. What is the fall in the channels you are putting in there now?—4in. to the 12ft.

147. That is something less than the first channel?—Yes.

148. Would they not require more flushing-water on account of less fall?—Yes, if you want to use more water.

149. If you tunnelled it to Larrikins?—But we are not tunnelling to Larrikins, but to Kawaka. We are taking it out of Kawaka Creek below the dam that supplies the Waimeas. It has no connection. You can let water out of the Waimea Race at the higher level.

150. This water that you take to Callaghan's must go through the pipe-line?—Yes; but we are not working it in that way—we have a separate race entirely to Kumara.

151. Are you aware of the number of men employed at the Kumara at the present time?—I fancy, from memory, it is something like 168 actual miners.

152. That is the population supported by this water-race?—I should think they would number, including women and children, altogether five in family.

153. *Mr. Mills*.] Are you well acquainted with this race of Holmes's?—I know only the low portion of it, not the upper portion, where the dam is, till you come down to O'Connor's and Cashman's reservoir.

154. You could not tell the Committee, then, what condition this part of the race is in?—I have never seen it.

155. Nor what it is likely to cost for the next few years to repair?—No.

156. What, in your opinion, would be the increased revenue the Government would derive by