

REES RIVER.

Several dredging claims have been taken up in the bed of the Rees River, but, so far, no dredges are being constructed and no mining is being carried on in the valley of the main stream, though hydraulic sluicing and elevating plants are being worked on two tributaries of the river—namely, the Oxburn and Templeburn, formerly known as Precipice Creek and Twelve-mile Creek respectively.

A large quantity of shingle is brought down from the mountains every year by the flood-water of the river, and is rapidly raising the bed. There is a considerable area of low-lying cultivated land in this valley, which, in the natural course of events, will be covered with shingle, even were no mining carried on. Dredging in the bed of the river will not accelerate the destruction of this land.

Though the river-bed has been taken up for dredging, your Commissioners could not obtain any information as to payable prospects, or otherwise having been obtained, and therefore do not deem it expedient that the Rees River be at present proclaimed a watercourse into which tailings, *débris*, and waste water from mining claims may be discharged.

OTHER RIVERS.

Your Commissioners visited all the goldfields centres, and examined the principal rivers and streams into which waste water from mining claims is discharged—namely, the Clutha, Kawarau, Dunstan, Manuherikia, and Shag Rivers, with their tributaries. On some of these dredging operations are being extensively carried on.

On the Clutha River thirty-two dredges are at work, and sixty-two in course of construction. All the working dredges, with the exception of one near Lowburn, are situated between Cromwell and Beaumont. Twenty-four of these are working between Cromwell and Alexandra, a distance of about twenty-one miles, and fifteen in course of construction are intended to work ground between the two last-mentioned towns.

On the Kawarau River there are eight dredges working, and seventeen in course of construction.

Dredging operations are principally carried on at the present time on the Clutha and Kawarau Rivers; but dredging claims are being taken up on almost every flat and stream known to contain auriferous gravel-drift. Dredging is developing into a very large industry, and will be the means of gold being obtained from the beds of rivers and alluvial flats where there is not sufficient fall to work by hydraulic sluicing. The cost of working the ground by these dredges is about 3d. per cubic yard, or approximately the same as working ground by hydraulic-elevating plants. Comparing these two systems of working, the first cost of a dredge is less than that of a hydraulic-elevating plant of similar capacity, with the necessary dams and water-races, and it is only in certain localities that a sufficient water-supply can be obtained for hydraulic elevating, and even that supply is only sufficient to work one or two claims, whereas the number of dredges is only limited by the extent of ground that will pay for working, provided that enough water is available for washing purposes. In working the alluvial drifts by dredges in the beds of streams there is no likelihood of any damage being done to land held by settlers along the banks, as a dredge merely trenches up the gravel in the bed and deposits it again in nearly the same place.

Taking all the circumstances into consideration, and seeing that some of the principal rivers have been used as main channels to carry off the waste water and silt from gold-workings during the past thirty-nine years, your Commissioners do not at the present time see any necessity to recommend that the Clutha, Kawarau, Dunstan, Manuherikia, and Shag Rivers be proclaimed watercourses into which tailings, *débris*, and waste water from mining claims may be discharged.

Your Commissioners have, with deep regret, to state that Mr. J. P. Maitland, Commissioner of Crown Lands for Otago, has been unable, owing to serious illness, to act as one of your Commissioners in dealing with the subjects contained in this report, and consequently Mr. Maitland's name is not appended thereto.

All these matters we respectfully submit to your Excellency, and the Commission is returned herewith.

Given under our hands and seals this 21st day of January, 1901.

HENRY A. GORDON, Chairman.

JOHN HAYES.

FREDK. R. FLATMAN.

To His Excellency the Right Honourable UCHTER JOHN MARK, Earl of Ranfurly, Governor of the Colony of New Zealand.

MAY IT PLEASE YOUR EXCELLENCY,—

In accordance with your Excellency's Commission, dated the 7th day of January, 1901, to inquire into the expediency or otherwise of certain watercourses in the Land Districts of Marlborough, Nelson, and Westland being constituted and set apart by proclamation as watercourses into which tailings and waste water produced by or resulting from mining operations may be discharged; and generally to make such inquiries, in the event of proclamations being issued, as will show the resulting benefit to mining and other industries, and the resulting injury to the agricultural or other industries, together with the sums that will probably be required to settle claims for compensation or to take the lands compulsorily, your Commissioners have the honour to forward an interim report as follows:—