

owing to the conditions then existing, to obtain the necessary capital; and I think the estimate was from £40,000 to £50,000. I believe it would be more costly from the Arahura River.

5. If taken through the Humphrey's Gully would there be sufficient water to supply the needs of the Humphrey's Gully people and also Rimu?—I would think so; and the consolidated company proposed to take what is equal to 120 heads for eight hours per day, which I believe is considered ample for all requirements. It is proposed that the price charged to the miners would be very much less than what they are now paying. There is a water company supplying water, but the supply is so intermittent that it is almost useless, and the miners are paying about 10d. per head instead of about half that. The whole of that district is impoverished for the want of a water-supply.

6. Have you any statistics showing the amount of gold got out of the district?—Since 1888 it has carried a considerable population in spite of the miserable supply of water, and the gold returns, whenever there are two or three weeks' rain, show splendid results. Men will earn when they have water as much as £10, £20, £30, £40, and up to £50 per week, and then they may be six weeks without getting anything in consequence of the want of water.

7. If the field was connected with Humphrey's Gully supply, would there be any objection on their part?—It would be the Humphrey's Gully or New Zealand Consolidated people who might undertake the work. In fact they are the people we are really dependent upon. There is no chance of raising the money locally, as the amount is too big. The Consolidated Company say that there is a danger that it might prove beyond their means.

8. Mr. Spencer is an official of the Humphrey's Gully Company?—He is the engineer of the Consolidated Company. Lake Kanieri water would not, it is considered, command anything like the extent of country that the water of the higher altitude would.

9. *Right Hon. Mr. Seddon.*] I think the question that Mr. Herries put to you you did not understand, that was whether there would be sufficient water to supply the customers of the Humphrey's Gully along the race there as well as to supply Back Creek, and you have not explained that they intend to build a reservoir in order to store the surplus water not required by the Humphrey's Gully people, and by that means supply Back Creek requirements?—Mr. Spencer says:—"We estimate that we can supply forty heads of water continuously, which, if suitable dam accommodation is provided at Back Creek, will enable 120 heads per working-day of eight hours to be supplied."

10. *Mr. Herries.*] How much do they use themselves?—They have practically an unlimited supply from the Arahura River. It would be only a matter of constructing larger works for carrying it. I think they would take sufficient care to keep back sufficient water for their own requirements.

11. *Right Hon. Mr. Seddon.*] Are you aware that they have widened the race themselves already as far as the point where the Back Creek race would tap it at Milltown?—Yes.

12. *Mr. R. McKenzie.*] What is the water they are bringing in now to Humphrey's Gully?—Their present race is capable of carrying three times the amount of water it is doing at present.

13. What amount of subsidy do you reckon they would require?—I do not think any company would undertake this work unless there was a subsidy of at least £15,000. You have had £15,000 on the estimates for several years past for Ross Flat, and that has not been sufficient inducement to any company to take up the work, and the same condition of things may apply to this.

14. Have you any idea of the approximate distance from Humphrey's Gully to Back Creek?—From the point of the present works, about seven miles.

15. What area of ground would it cover?—If the water was brought in it is estimated to give employment to four or five hundred additional miners, which with their families would mean about a couple of thousand people altogether.

16. And it would give employment for some years to that number?—For, I should say, forty or fifty years. The present claims have been working since 1888, and have made no impression on the faces, as we call them. The amount sluiced away has been very small indeed for the last fourteen or fifteen years.

17. *Hon. Mr. McGowan.*] Why is the amount of ground worked so small?—Because the water is not there to sluice it away.

18. When you got the water-supply, where would the tailings go?—Into the Hokitika River and into the large flat adjacent to the river. A considerable portion of the fine tailings would find their way into the river, which has recently been proclaimed as a tailings-site.

19. Do you consider these terraces are rich?—I do not think there can be any doubt that they are.

20. What is the evidence of their value?—That those who have had this intermittent supply of water have been able since 1888 to make a living there, and the same ground would have given them very large returns indeed if the water had been regular. As a matter of fact, many of them go for twelve or thirteen weeks and are not able to earn a shilling.

21. Is that in consequence of their not having water?—Undoubtedly.

22. Do you believe that there is a good payable goldfield there if you had water at the ordinary rates?—Certainly.

23. Give us evidence of that which would convince the Committee?—Since 1888 the population of several hundreds has existed on the gold won in spite of the miserable supply of water, and it seems to me to be reasonable to adduce from that—that if we had an adequate supply not only would the population be very much larger indeed, but those who are there would be doing very much better.

24. At the present price of water?—Yes, they are paying 10d. per head now. I think it is a very high price to pay for water for that part that might be called low-grade ground.

25. That is the point I wanted to get at—it is low-grade ground?—No, but there is low-grade