

earned almost entirely from their claims on the field; and when I tell you that the miners had such confidence in the development of the field that they were quite prepared to mortgage their huts, residence areas, and whatever rights they had, it shows their belief that the field was a highly payable one. If the water is constantly supplied to these miners, not only will it keep the men who are in the field now going, but it will mean a further number of from three to five hundred miners, who, with their families, will represent a very large population indeed. The extent of the country has been already pointed out. There are three miles of known workings now, and there are probably two miles or more of ground that in the opinion of experts will be worked later on. There is also the Brighton Terrace that will be worked as well. All the claims have now been developed, and most of them are known to be highly auriferous; that is to say, the miners have been able to live there, and earn their living, at the same time paying off their mortgage, while they have had a very limited supply of water indeed. Of course where the ground is rich it does not necessarily follow that the whole of the areas which have been abandoned are as good. The gold is found in patches; and when they get a good patch, to counterbalance that, they have often to go to a very large expense in putting in tail-races. Therefore it does not follow that the average will keep up, but taking it over several years there is no doubt that it is good wages ground. A very large area has already been tunnelled out, and it is well known amongst miners that tunnelled ground is the best for sluicing afterwards. The Chairman of the County Council has sent us a telegram which runs as follows: "In my opinion fully two to three hundred men extra can be profitably employed if water is brought on to Back Creek. There is every probability of payable ground being struck on the line of the race." *En route* to Rimu from the present terminus of the Humphrey's Gully race the ground has proved very rich in the past, and is known as the Blue Spur Field; and no doubt if water is brought on to Back Creek it is probable that great quantities of Crown land which cannot be worked at present will be worked then. That is about three miles from the Back Creek and Seddon Terraces. This is an important matter in considering the question of subsidising the company. It will also open up a large field at Blue Spur. The matter is considered of such importance in Hokitika that mass meetings have been held there, and we have been asked to put the views of the people before the members of this Committee and members of Parliament. It will therefore be seen that the matter is of great colonial as well as local importance. The Blue Spur ground is well known to be auriferous, and it was thought some years ago that it would be connected by water with the Kanieri Lake; but the promoters have been slow, and it is now feared the lake water is too low to command the whole of the auriferous grounds. Most of the people, I think, are now coming to the conclusion that the reason for the delay is the non-efficiency of the supply, and a more efficient supply is required before any company will undertake to expend such a large sum of money as is involved in the scheme.

88. *Mr. Moss.*] If you have any sketch plan we should be able to see what is required. Would it take very long to have one made?—We have not a sketch plan; but I would impress on the Committee the necessity for a trial survey to be made by the Government, because, although we have given figures on very good authority, it would be better to test them. I do not think there would be any difficulty on the part of the company in giving assistance to the Government in verifying figures in surveying the unsurveyed portion of the race. Otherwise, there are only the lithographed maps that could be given by the Department. I do not think they would give you more than the line and the distance. A trial survey would be absolutely necessary before any definite work is undertaken.

89. *Hon. Mr. McGowan.*] Are you aware of any claims having been made for compensation for damage done along the Hokitika River?—Yes.

90. In the face of what has happened, do you think there would be any more claims made for compensation?—I should certainly think not. I do not see how there can be. As far as concerns the damage that will be done to any person along the banks of the river, by the Proclamation of the river I think you have settled all the claims that are likely to be made. There may be one or two small freeholders who have been missed, and who may rely upon the clemency of the Government to give them a few pounds, but otherwise all the claims for the present Proclamation have been settled. The people of Hokitika evidently thought the likelihood of damage was so remote that only four or five residents along the bank of the river at the lower end of the town put in any claims for compensation.

91. *Right. Hon. Mr. Seddon.*] There would be difficulty in proving specific damage from specific claims?—You could not do that. The most that could be done would be to prove prospective or problematical damage. The Government can simply say to future claimants, if any, on the present Proclamation that they cannot claim as they have not given the necessary notice. If anybody is likely to be affected, the Hokitika Harbour Board is an instance; but the members of the Board recognise the importance of getting water on the goldfields, and have never put any obstacles in the way, or applied for compensation. I therefore think you have no reason to fear getting any more claims.

92. Do you think an action for forfeiture would lie for this 100 acres that is blocking the way?—I think there are good grounds for a cancellation suit, and any person could apply for the cancellation of those rights on the ground of forfeiture.

93. A private person would not institute proceedings?—They might be able to make arrangements with the company which is bringing in the water, and show good grounds examined.

J. MANDEL examined. (No. 3.)

94. *The Chairman.*] Do you wish to supplement what has already been stated by your colleagues?—I corroborate what Mr. Michel and Mr. Beare had stated. I know that Back Creek is in the centre of a large mining district which has been worked for the last thirty years, and