

because we considered it would take away the main part of our revenue. We have to maintain 150 miles of roads, and the main portion of our revenue was this very gold duty which the formation of the borough deprives us of. In addition, we have the Township of Waikino, a large and growing township outside the borough, the people of which are employed exclusively in connection with the Waihi Mine. They are employed at the reduction-works and getting out timber, and in all sorts of work connected with mining. We consider the residents there have as much right to share the Waihi gold duty as the people working at the mines; but at present we have to make footpaths, streets, undertake water-supply, and do all the work for these people, and we have nothing to do it with. Even within the last six months we made footpaths in Waikino at a cost of £150. We had to do that out of county gold duty. We are not able to rate the mining property in Waikino, which has the most valuable battery south of the line. That is one of the reasons why we claim that an allocation of this gold duty should be made. Another reason is that the Ohinemuri River, from Mackaytown down to the Thames Gulf, and up the Waihou River to Matamata, is navigable, but if the deposit of tailings goes on as at present in a very short time it will not be navigable. In addition to being a navigable river it forms the drainage for the agricultural country. It is absolutely necessary that the river should be kept open for traffic and drainage. The Waihi Company puts in more tailings than the rest of the district, and should contribute to keep the navigation open; and the gold duty is the proper revenue for that. We have a River Board, but it has no funds, and the river is very rapidly silting up. Of course, with regard to the statement that the county previous to the formation of the borough did not treat Waihi fairly, that is contrary to facts. What I would like to say is this: Our revenue for twelve months prior to the borough being formed was £20,000, and of that we expended £5,500, upon the maintenance of the Waihi Road, practically for the benefit of Waihi, and, in addition to that, £4,750 in what is now the Waihi Borough in making footpaths, &c., so that half our revenue was expended practically for the benefit of Waihi. You can see that in the statement made two years ago in our objection to the formation of the borough. With regard to the mining roads for which we claim that a certain amount of the Waihi gold duty should be given us, these roads are used to a considerable extent for the cartage of material for Waihi. Timber is carried from all parts of the county. We get a certain amount of revenue from the sale of timber, but not equal to the expenditure necessitated by the traffic on the roads.

118. *Mr. Herries.*] Have you seen the provisions of this Bill?—I have just seen the Bill this moment; I am satisfied with it.

119. Do you think it would take half your revenue from you? What is your revenue?—From the mines we obtain £4,000.

120. Under this Bill you would obtain £2,000?—I think we should receive £6,000. The Bill says, "Notwithstanding anything in 'The Gold Duties Act Amendment Act, 1882,' the Governor may from time to time by Order published in the *Gazette* distribute any part of the gold duty not exceeding one-half among such boroughs and counties and in such proportions as he deems just, having regard to the locality in which the gold was produced, and the extent to which streets, roads, and other public conveniences were used in connection with such production." That gives me the impression that the County of Ohinemuri would obtain the whole of its own gold duty, and also receive a fair allocation from the borough as well.

121. Is not the first effect of this Bill that you would lose half the gold duty?—I do not see that. The extreme limit we could lose according to the Bill would be one-half; we might not lose anything.

122. Would not the Waihi Borough, if it undertook large works, get a portion?—Yes.

123. Do you not depend upon a fixed finance?—Our finance is not fixed now.

124. But your only assured amount would be half the gold duty?—It is possible the other half might be taken away.

125. Could you borrow upon that security?—I do not know that we could borrow money upon security like that.

126. Would not the passing of this Bill reduce your security?—To that extent; but the whole county would be pledged for the repayment of any loan. The gold duty is only one security.

127. You are satisfied with losing one-half?—We are satisfied to risk it; I am satisfied we shall not lose revenue.

128. And the reason you are supporting this Bill is that you have not much to lose and may have something to gain?—That is not my reason; we think we are entitled to a share of the gold duty produced by the Waihi Mine.

129. What do you think you ought to spend it on?—I have mentioned several works. I have mentioned Waikino and the river. At present there is a properly constituted River Board, but it is without funds.

130. Has any application been made to the borough for funds?—No; you would have to set up a Commission for every item that came along.

131. Are there any other roads leading to Waihi that the borough ought to contribute to?—No; but there are several to Waikino. The Waihi Company have a railway to Waikino, and the latter town is just as much a portion of Waihi as Waihi Township, although in the county, and we have to look after it.

132. What is your rate?—Five-eighths of a penny is our ordinary rate.

133. And if a portion of the gold duty is given to you?—It is not proposed to give us any gold duty. It is proposed to give a proportion of the gold duty of one borough or county to another for specific purposes. That portion is not to exceed one-half, and may be distributed in such proportion as is deemed just. If we are entitled to some I presume we shall get some.

134. *Hon. Mr. Mills.*] What distance from the mouth of the river are tailings discharged into it?—Above the head of navigation; I do not know the distance from the mouth.

135. Have you any idea what quantity of tailings are discharged?—About 20,000 tons per month by the Waihi Company.