

the best means of disposing of the polluted water from factories many of the factory-owners or representatives supported the same idea, *provided that their supply of water is not thereby interfered with or that they got another supply of water at no greater cost to themselves*, which means, of course, that they should get such water for nothing.

A main drain, as proposed in Hay's scheme, would also take all sewage and the polluted water from the freezing-works, abattoirs, tallow-factory, and other factories and mills lower down the stream; and the evidence shows that it would enable the sanitation of Green Island Borough and the small portion of Taieri County that is in the Kaikorai watershed to be properly attended to, and as there would thus be sufficient liquid placed in the sewer, and as there is a proper grade, the sewer would thus be self-acting, and it would effectually drain the whole valley.

The cost of this scheme is moderate, and at first sight it seems to be ideal; but its effect on the factories would be disastrous. Thus the effect of Ross and Glendining's mill, in taking, say, 30,000 to 35,000 gallons of water a day, and in not returning it to the stream, would be that in summer-time little or nothing would be left for factories lower down, and even in ordinary times the abstraction of so great a quantity of water would be severely felt. If, therefore, any water were left after Ross and Glendining's mill had taken what it wanted out of the stream, the remainder would be used up by the next one or two factories, and the large and important works lower down would get none at all. This would give rise to enormous claims for compensation, and would mean the closing-down of many of the factories and consequent loss of employment to many persons. This would be most unpopular, and would never satisfy the people or local authorities of the districts. It is quite clear, therefore, that, unless Hay's scheme is strictly limited to household sewage, it is impracticable without a water-supply much in excess of that now provided by the stream. To limit it, moreover, to household sewage would be to rob it of much of its usefulness.

If, therefore, this scheme is to be carried out in its entirety, a proper and sufficient water-supply for the purposes of the factories is absolutely essential, and it is this question of water-supply that has a great deal to do with the difficulties that have arisen between the local bodies. They know that if they take the water out of the stream and put it into a sewer they will be met with enormous claims for compensation for loss of riparian rights, and that the loss to the factories if compelled to close down would spell ruin to parts of their districts. They know also, on the other hand, that the cost of a sufficient water-supply for the factories is beyond their means.

I endeavoured to ascertain what a sufficient water-supply would cost, or whether one could be obtained from any stream in the vicinity, but I was unable to get any definite or reliable information without going to considerable expense, and I had no authority for this. It was asserted by some of the witnesses that the various boroughs were entitled to take water from the Silverstream, which is the source from whence part of the water-supply for the City of Dunedin is obtained, and that, failing this, the water could be obtained from Lee Stream.

Exhibit No. 23, being a memorandum on the subject from the Dunedin City Solicitor, shows the position from the point of view of the City Council. From this memorandum it will be observed that the Boroughs of Maori Hill, Mornington, and Roslyn have made arrangements with the city for connection with its water-supply and that the Borough of Green Island has possibly a right either to obtain water from the city supply on payment at the rate of 6d. per 1,000 gallons, or else to tap the Silverstream and supply itself with water. It will, however, be seen from this memorandum that it is contended that such water-supply is only intended for domestic purposes, and that any attempt to utilise it for factory purposes would be resisted, on the ground that the supply is only sufficient for domestic purposes for 45,000 people, and there is even now a population of 58,000.

As to the suggestion that a water-supply could be obtained from the Lee Stream, the memorandum shows that this is out of the question, both on the