

which the stream flows could equally make claims if he thought fit to do so, whether he now uses the water or not, if the volume of water that now runs through or past his land were seriously diminished in quantity; and this effect would undoubtedly follow under this scheme.

For these reasons I cannot recommend this scheme. It is possible that some modification of it might be workable if proper safeguards were made, and if the whole thing were controlled by one local authority, but as to this I offer no opinion.

General.

The evidence clearly shows that the only thing that will effectually and permanently prevent the pollution of the Kaikorai Stream is the adoption of Hay's scheme, or of some similar scheme, together with a water-supply scheme; and this is what ought to be done. It appears, however, that the cost of the two schemes is at present beyond the means of the districts concerned; but it does not follow from this that the districts will never be able to finance such schemes. I consider that the time will come when they will be able to do so, owing to the very favourable conditions that exist in this valley for factories of all kinds, and to the fact that even now new industries are starting therein.

If, therefore, in the meanwhile some method can be devised whereby the evils which now exist can be minimised, and the water of the stream sufficiently purified to enable it to be safely used for manufacturing purposes, this would probably be all that can be done at this time, for "half a loaf is better than no bread," and the present position of matters is a public scandal and disgrace. I think it is possible to adopt some such method and also to make provision for the construction of the sewer and water-supply works in due course when the district is able to afford the same, and this method will be set forth in the next division of this report.

DIVISION III.—WHAT AUTHORITY SHOULD BE SET UP TO CARRY OUT SUCH MEANS OF PREVENTION.

There are several local authorities exercising jurisdiction within parts of the watershed of the Kaikorai Valley—viz., Taieri County Council, Maori Hill, Mornington, Roslyn, and Green Island Borough Councils, and the Dunedin Drainage Board. The Dunedin City Council has also an important interest in the valley in the shape of the City Abattoirs. The Kaikorai Stream is vested in the Taieri County Council by virtue of a Warrant under the hand of Your Excellency, dated the 12th October, 1906, in the *Gazette* of the 18th October, 1906. The stream was then vested in the Council in the hope that the Council would be able to formulate some effective scheme for the purification of the stream; but the Council has been unable to formulate any scheme that is satisfactory to the parties, although it has tried to do so. The County Council has no power to compel the other local authorities to contribute thereto if it undertakes the work itself, and, as the boundaries of the Borough of Green Island are about to be extended so as to take in most of the factories and residential parts that exist in the portion of Taieri County in the Kaikorai Valley, the Taieri County Council has now very little interest in the matter, and it is manifest, therefore, that it would be unfair to expect the County Council to spend its ratepayers' money in constructing works that will be of no benefit to them. The Council, moreover, has no power to compel the other bodies to purify the stream, or to keep it pure, within their respective districts. It can only proceed, if at all, against the persons who pollute the stream, and, as there are so many that do it who cannot be identified, it would have to spend its ratepayers' money to obtain convictions (even if they could be obtained by the county under the present law, which is doubtful), and this would not benefit many people in the county. It will thus be seen that the vesting of the stream in the Council is useless, and that, unless the Council is given far greater powers than it now has, it cannot deal with the other local authorities or control the stream in any effective manner whatever. None of the other local authorities are in any better position for dealing with the question than is the Taieri County Council. Their interests