

take from the owner of such lands any chance of recouping himself, out of such accretions of area and of material, by the issue to other persons of a right to exploit the wealth contained in such deposits.

We understand that in one case a freeholder (Mr. W. Marsh), whose title extends to the centre of the river, disputes the validity of the special licenses.

Interpretation of licenses.

The Commissioners recommend that the legal position of the rights claimed by this company should, if possible, be cleared up, and the true meaning of the licenses be ascertained as to whether the company is entitled to remove the accumulations of tailings on the banks as well as in the bed of the river, and as to whether it would have any claim for damages, if the proposed cut was made, for loss of tailings or of water access to its freehold section. As the company claims that it has had granted to it, for a very small annual rent, and subject to the payment of duty on the gold saved, rights of enormous monetary value, it would not appear to be doing that company any material injustice if Parliament were to limit the time in which the concession may be worked, so that the benefits to be derived by making the Pereniki cut may not be indefinitely postponed.

Prompt removal of sands necessary.

The representatives of the company suggested that the work of removing the banks of tailings could be expedited by the erection of a larger grinding and extraction plant, and proposed that the Dominion should find the increased capital for the additional plant, receiving payment therefor by an annual first charge on the profits. As any such arrangement would be one for careful negotiation, the Commissioners are not prepared to make any recommendation thereon, further than to say that so far as is practicable it is essential, in their opinion, that the Ohinemuri should be cleared and enlarged and the short cut made as speedily as possible; and, moreover, to point out that if the large accumulations of coarse tailings existing above high-water level in that river, and which it is understood are claimed by the Gold-extraction Company, are found not to belong to that company, then they should be forthwith worked either by the Government or by arrangement with some extraction company, so as to provide funds for the works proposed herein, and for the purpose of enabling the river to be promptly cleared and the proposed diversion made.

Waihou diversion, Ngararahi, Te Koutou.

The Commissioners recommend that a cut be made from the Upper Waihou at Ngararahi in a north-easterly direction, across a narrow neck of land to the Lower Waihou at its bend at Opukeko, and thence across a second smaller neck at Te Koutou, to again join the main river just above the present Te Puke—Netherton Ferry.

These diversions will shorten the course of the Waihou some three miles, thereby improving the velocity in, and lowering the level of, the Upper Waihou, and obviating the necessity of any works in the river between Ngararahi and the Junction, as well as avoiding the removal of the island and groin at the Junction. The point at Ngararahi selected is one where the river has overflowed in all recent floods. The present course of the Lower Waihou below the present junction to the new junction will, after the diversion is made, be available to carry off the waters of the Ohinemuri alone. It will therefore have an additional length in which any coarse sands brought down in times of flood from the existing deposits can settle, with the result that the waters will reach the navigable waters of the river in a much clearer state than is at present the case.

Termination of Paeroa navigation below Te Puke.

These proposed diversions in the Waihou will necessitate that the steamers now trading to Te Puke should terminate their run at a new wharf to be built just below the site of the present Netherton Ferry, at an increased carting distance from Paeroa of half a mile. It is suggested that the bridge, which it is understood is about to be erected across the Waihou just below the Junction,