27. Where was it principally spent?--I did not go over the whole of the county, but there was a strong conviction that, as far as Waihi was concerned, that expenditure that should have come our way went in other directions.

28. In what other directions?—In cutting drains, and in draining the land of the farmers.

29. Are you serious in saying that?—Yes.
30. Will you state what drains, and give some idea of the amount?—I have told you that I am giving a statement in this respect in the way that information comes to a man generally. What I will say is that Waihi did not get anything like its fair share of expenditure.

31. Mr. Mitchelson.] You have been a member of the Borough Council since the borough was

formed?-Yes.

32. Do you not consider, in face of the possibility that always exists of the gold giving out, that it is unwise of the borough to undertake works of a permanent character?—No, because we consider it is the cheapest in the end.

33. The Chairman.] Supposing the mines were to get five times the quantity of gold, do you still consider that you would still be entitled to the whole of that amount?—Till the law is altered,

34. And you would not be prepared to say that the borough should contribute anything towards ves. the alteration of the silting trouble?—If we had five times the revenue I would say I would give you

a big sum towards the silt trouble. 35. What revenue do you consider necessary to carry on the work of the township?—Until we have an efficient drainage system, and until we have an efficient water system, I consider that

the essentials of the town are not catered for.

36. You have a drainage system?—It is not adequate. It would require about £14,000 further expenditure before it is complete, and about £40,000 for a drainage scheme to make the town anything like what it should be to accommodate its population.

37. Mr. Flatman.] Patients from outside the hospital district—do they pay for the attention

they receive?—Yes, a guinea a week.

Duncan William McArthur examined. (No. 52.)

1. Mr. McVeagh.] You are a civil engineer, and you are Engineer of the Waihi Borough Council !--Yes.

2. How long have you held that position?—Six or seven years.

3. You have a very good knowledge of the borough and its requirements?—Yes.

4. You have prepared a statement showing what are the requirements of the borough which come under your concern in regard to maintenance, and also in regard to the capital expenditure?

—Yes. [Statement read. Exhibit No. 40.]

Waihi Borough Council.-Engineer's Statement as to the Requirements and Expenditure in Maintenance and Extension of Roads.

Streets and Paths.—In Waihi there are 61 miles of streets, of which 344 are in a state of nature, and 263 miles have been partly formed and metalled in the centre, with footpath formed; some only natural soil, some gravelled, and a few principal ones asphalted and having concrete

The maintenance of our present metalled streets and paths, to keep them simply as they are, and without any widening of metal, will cost upwards of £5,600 per annum, and, assuming that within a few years—say, five years—it will be necessary to construct half of our present unformed within a few years—then the maintenance will be increased by $\frac{17}{26.75}$ of £5,600, thus bringing streets—viz., 17 miles—then the maintenance will be increased by the amount for maintenance alone to £9,159.

To construct this half, or 17 miles, 1 chain wide, with double footpaths, only centre of roads metalled, and paths gravelled, will cost £30,400, and, adding to this £4,000 for bridges

now necessary, the cost will be £34,400.

Water.—This is supplied in most of the metalled streets, and, taking the above 17 miles as requiring extensions, together with an additional water-supply from another valley, which is urgently required now, the outlay will be £14,776.

Drainage — Waihi has no drainage system for carrying off sewage, all such, except nightsoil,

being thrown on the ground and into holes dug for the purpose; the nightsoil being carted away in pans and buried. The result of this is that every season has its quota of fever victims, thus showing how imperative it is that a proper system be adopted to remedy the evil. To this end the Borough Council has long considered that a proper system of drainage is necessary, and instructed me to prepare an estimate for the work. This I have done, only taking the present formed streets viz., 263 miles—and find the cost will be quite £24,000; but when considering the almost certain extensions of street-construction up to half of the unformed portions—namely, 17 miles—then $\frac{17}{26.75}$ of £24,000 will have to be added, so that this addition of £15,252 brings the amount up to £39,252.

Works ordered and under Construction.—These consist of formation, metalling, footpaths, concrete, kerbing, flood-damage repairs, Beach Road, and a number of other works, £3,140.

5. Is it not necessary to provide for further water-extension?—Yes.

6. We have your estimate and your statement about drainage: in your judgment, is it necessary to provide a drainage system to cost that sum of money?—Yes, £24,000. I think it ought to be done immediately. It ought to have been done long ago. The Health Department has been pressing us to get it started for some years past.