

1885.
NEW ZEALAND.

ALLEGED BREACH OF DISQUALIFICATION ACT INQUIRY COMMITTEE

(REPORT OF THE), TOGETHER WITH MINUTES OF PROCEEDINGS AND EVIDENCE
AND APPENDIX.

Brought up 14th September, 1885, and ordered to be printed.

ORDERS OF REFERENCE.

Extracts from the Journals of the House of Representatives.

FRIDAY, THE 14TH DAY OF AUGUST, 1885.

Ordered, "That a Committee, consisting of Mr. Bruce, Mr. J. C. Buckland, Mr. Conolly, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Mr. Moss, Captain Russell, Mr. Sutter, and the mover, be appointed to consider the question whether any breach of the Disqualification Act has been committed by Mr. Seddon; three to be a quorum; to report in ten days; with power to call for persons and papers."—(*Hon. Mr. Stout.*)

FRIDAY, THE 21ST DAY OF AUGUST, 1885.

Ordered, "That the Kumara Sludge-channel Inquiry Committee have an extension of time, for bringing up their report, of one week from Monday next."—(*Mr. Conolly.*)

TUESDAY, THE 1ST DAY OF SEPTEMBER, 1885.

Ordered, "That the Committee appointed to inquire into the alleged disqualification of Mr. Seddon have leave to postpone making their report for one week."—(*Mr. Conolly.*)

MONDAY, THE 7TH DAY OF SEPTEMBER, 1885.

Ordered, "That the Select Committee on the alleged disqualification of Mr. Seddon have leave to postpone making their report for one week."—(*Mr. Conolly.*)

REPORT.

REPORT of the Select Committee appointed to consider the question whether any breach of the Disqualification Act had been committed by Mr. Seddon :—

The Committee have the honour to report that, although the question as above was submitted to them under the order of reference in general terms, they have confined their inquiries to transactions relating to Kumara Sludge-channel No. 2, that being, in their opinion, the only matter in which the alleged breach of the Disqualification Act had been committed.

The Committee have carefully perused the papers referring to Kumara Sludge-channel No. 2, and have taken the evidence appended to this report; and from the said papers and the said evidence have ascertained the following facts :—

1. That an application was made in September, 1883, by Mr. Seddon to the Mines Department, asking for a subsidy from the Government to certain private persons willing to construct a tail-race to relieve the Government sludge-channel, called Kumara sludge-channel No. 1.

2. That in November, 1883, an application was made by Watson and party to the Government for assistance to a tail-race or sludge-channel to be constructed by them.

3. That almost all the persons who were making use of Sludge-channel No. 1 would be benefited by the construction of Sludge-channel No. 2, since No. 1 was insufficient for the claims that had the right to put tailings into it.

4. That the Government in 1883 promised to give the matter careful consideration, but no decision was arrived at as to whether aid of any kind would be granted, and, if granted, whether that aid would be by granting free water or by money.

5. That in September and October, 1884, further applications were made by Watson and others, and also by Mr. Seddon and others; the former pressing for an answer to their previous application, and the latter urging that the new sludge-channel should be constructed and carried on by the Government on the same conditions as, and as part of, Sludge-channel No. 1.

6. That the Mines Department replied that the question would be considered when the miners had determined on the line of the proposed new channel, and had furnished proper plans and details.

7. That the sum of £2,000 was placed on the estimates, and voted as a subsidy for the construction of Kumara Sludge-channel No. 2.

8. That after this sum was voted it was discovered that the department estimated that the work would cost from £7,000 to £10,000.

9. That the department therefore declined to undertake the work, but offered to Mr. Seddon to subsidize the work, or to hand over the water of the tail-races to the local bodies or to the parties interested. The subsidy in free water was to be to the value of £2,000 or £3,000.

10. That, after much correspondence and negotiation, it was arranged that the Government should give a subsidy amounting to £2,500 to the parties interested in the construction of Sludge-channel No. 2, and that those parties should construct the work.

11. That the Government declined to enter into a contract for the construction of the work, and have throughout repudiated any liability in connection therewith excepting to give a subsidy.

12. That, in order to secure the Government against any possible liability in respect of claims by miners whose property or tail-races might be injured by the construction of the proposed Sludge-channel No. 2, a bond was given by Mr. Seddon and others, who thereby took upon themselves the said liability.

13. That Mr. Seddon and the other parties to the bond accepted a tender (as promoters) from Martin and others for the construction of Sludge-channel No. 2, and afterwards signed the contract for the same.

14. That progress-payments on account of the said work have been made to Mr. Seddon and others, or to their account, as promoters of Sludge-channel No. 2, at the Bank of New Zealand at Kumara.

15. That on the 30th May, 1884, a certificate of registration, No. 37073, was granted to Watson and others for a tail-race therein described, and that afterwards an extension of the said tail-race was granted to Watson and others by certificate of registration No. 43860.

16. That Watson's rights under the certificates were transferred to Mr. Seddon and others (being the same parties as were parties to the bond and to the contract for Sludge-channel No. 2) on the 4th May, 1885, after the contract for Sludge-channel No. 2 was signed.

17. That the tail-races granted by the above-mentioned certificates do not apparently coincide at any point with Sludge-channel No. 2, but are nearly upon the same ground, and, if constructed, would apparently have been available for the same area of ground, or nearly so.

18. That no certificate of registration has been granted to any person for Sludge-channel No. 2.

19. That it has been suggested to the Committee, but not proved, that the promoters delayed obtaining registration until the work was finished either with the intention of then registering in the names of the parties who would be interested in using Sludge-channel No. 2, or in the expectation that the local body would take over the work.

20. That it is denied by Mr. Seddon that he has any interest in any claim that will drain into Sludge-channel No. 2; and no evidence to the contrary has been produced to the Committee.

21. That no charges have been made, nor apparently are intended to be made, to parties for the use of Sludge-channel No. 2.

The Committee have, therefore, to report that there is no evidence that Mr. Seddon is either directly or indirectly pecuniarily interested in the construction of Sludge-channel No. 2 otherwise than as an inhabitant of and member for the district, and, therefore, that he has committed no breach of "The Disqualification Act, 1878."

EDWD. T. CONOLLY.

14th September, 1885.

Chairman.

MINUTES OF PROCEEDINGS.

WEDNESDAY, 19TH AUGUST, 1885.

The Committee met pursuant to notice.

Present: Mr. Conolly (Chairman), Mr. Bruce, Mr. Buckland, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Mr. Moss, Captain Russell, Hon. Mr. Stout, Captain Sutter.

The order of reference was read.

Resolved, That Mr. Conolly take the chair.

Resolved, That Mr. Elliott, Under-Secretary for Mines, be instructed to attend to-morrow with all papers connected with the Kumara Sludge-channel No. 2, and also with a copy of the Gold-fields Regulations for the Kumara District.

Resolved, That Mr. Seddon be allowed to be present, and to examine witnesses; but to withdraw when the Committee are deliberating.

The Committee then adjourned till Thursday, the 20th August, at 11 a.m.

THURSDAY, 20TH AUGUST, 1885.

The Committee met pursuant to notice.

Present : Mr. Conolly (Chairman), Mr. Bruce, Mr. Buckland, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Mr. Moss, Captain Russell, Hon. Mr. Stout, Captain Sutter.

Mr. Elliott, Under-Secretary for Mines, attended and gave evidence.

The Committee then adjourned till Tuesday, the 25th August, at 11 a.m.; the Chairman in the meantime to ask for one week's extension of time to report.

TUESDAY, 25TH AUGUST, 1885.

The Committee met pursuant to notice.

Present : Mr. Conolly (Chairman), Mr. Bruce, Mr. Buckland, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Mr. Moss, Captain Russell, Hon. Mr. Stout, Captain Sutter.

A letter from Mr. Elliott, Under-Secretary for Mines, dated the 20th August, 1885, concerning correspondence with Watson and party, was read.

Resolved, That the inquiry into the alleged breach of the Disqualification Act by Mr. Seddon be confined to the Kumara Sludge-channel No. 2.

The Chairman read through an extract of papers in connection with the case, which was corrected by members and Mr. Seddon.

The Committee then adjourned till Thursday, the 27th August, at 11 a.m.

THURSDAY, 27TH AUGUST, 1885.

The Committee met pursuant to notice.

Present : Mr. Conolly (Chairman), Mr. Bruce, Mr. J. C. Buckland, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Captain Russell, Hon. Mr. Stout, Captain Sutter.

The minutes of the previous meeting were read and confirmed.

Resolved, That the under-mentioned questions be asked, by telegram, of the Clerk and Registrar to the Warden's Court, Kumara :—

1. When Mr. Seddon applied (September, 1883) for subsidy to private parties willing to construct tail-race to relieve sludge-channel, was he one of the said parties?
 2. When Watson and party applied (November, 1883), was Mr. Seddon one of Watson's party?
 3. When Watson again applied (by letter 5th June, 1884, handed to the department by Mr. Seddon, 10th September, 1884), was Mr. Seddon one of Watson's party?
 4. Was Watson's claim ever assigned to Mr. Seddon and others: if so, when, and who were the others?
 5. Did Mr. Seddon and six others apply (as stated by Gow, 5th May, 1885) to be registered as proprietors of Channel No. 2: if so, when?
 6. Was there anything special in such application showing that Mr. Seddon was not an interested party: if so, state the precise words?
 7. Were they so registered?
 8. Is Tunnel Tail-race No. 37073 the same as Kumara Sludge-channel No. 2?
 9. Was the said tail-race transferred from Watson and others to Mr. Seddon and others: if so, when?
 10. What fees (if any) will be payable by parties using Channel No. 2?
 11. Who will be entitled to such fees (if any)?
 12. Is Mr. Seddon a partner in any claims which will use the said channel: if so, what are the names of such claims, and when did he become a partner?
 13. Are there any facts in connection with his partnership in such claims to show that he is not an interested party: if so, state the precise words?
 14. Were regulations made under section 25 of the regulations in force in September, 1883, with respect to Kumara Sludge-channel No. 1?
 15. Has Mr. Seddon ever held a permit for use of Sludge-channel No. 1? Inquire of Manager, if necessary.
 16. Have any regulations been made for charging fees for use of Channel No. 2?
 17. Have any tail-races been registered or applied for to connect with Channel No. 2?
 18. State the description of No. 37073 Tail-race: starting point, termination point, course, dimensions and length, and date when first registered.
- Resolved*, That Mr. Elliott be summoned to attend at the next meeting of the Committee, and then to inform the Committee as to the amount of progress-payments made on account of Sludge-channel No. 2, and to whom such payments have been made.

Resolved, That the Committee adjourn to Monday, the 31st August, at 11 a.m.

MONDAY, 31ST AUGUST, 1885.

The Committee met pursuant to notice.

Present : Mr. Conolly (Chairman), Mr. Bruce, Mr. J. C. Buckland, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Captain Russell, Captain Sutter.

The minutes of last meeting were read and confirmed.

Mr. Elliott, Under-Secretary, was further examined and his evidence taken down by shorthand reporter, was thanked and withdrew.

Telegrams from Mining Registrar, Kumara, answering certain questions put by the Committee, read.

Mr. Seddon asked to be furnished with a copy of questions to and answers by the Mining Registrar, Kumara. Granted.

Resolved, on the motion of Mr. J. C. Buckland, That the Committee do not require any further evidence unless Mr. Seddon desires to call any.

Telegrams from Chairman to Registrar and from Registrar to Chairman ordered to be printed for circulation among the Committee.

At Mr. Seddon's request the Committee adjourned till 11 a.m. on Wednesday, the 2nd September.

WEDNESDAY, 2ND SEPTEMBER, 1885.

The Committee met pursuant to notice.

Present: Mr. Conolly (Chairman), Mr. J. C. Buckland, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Captain Russell, Captain Sutter.

The minutes of last meeting were read and confirmed.

Mr. Seddon requested that Mr. Gordon be summoned, and that he should produce complete plans of Kumara Sludge-channels Nos. 1 and 2, and any departmental correspondence not already in evidence. Agreed to.

Mr. Seddon also requested that the Solicitor-General and Mr. Pyke, M.H.R., should be called, for the purpose of giving evidence. Agreed to.

Mr. Seddon requested an adjournment till next morning, on the ground that, the telegraph lines being down the day before, he was not able to procure the evidence necessary.

The Committee then adjourned till next morning, Thursday, at 10.30 a.m.

THURSDAY, 3RD SEPTEMBER, 1885.

The Committee met pursuant to notice.

Present: Mr. Conolly (Chairman), Mr. Bruce, Mr. J. C. Buckland, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Mr. Moss, Captain Russell, Hon. Mr. Stout, Captain Sutter.

The minutes of last meeting were read and confirmed.

Mr. Gordon, Inspecting Engineer of Mines, examined by Mr. Seddon; also by the Chairman and members of Committee. Evidence taken down by shorthand reporter.

Mr. W. S. Reid, Solicitor-General, attended, and answered questions put by Mr. Seddon and the Committee, which was taken down by shorthand reporter.

The witnesses were thanked and withdrew.

The Committee then adjourned till next morning, Friday, at 10.30 a.m.

FRIDAY, 4TH SEPTEMBER, 1885.

The Committee met pursuant to notice.

Present: Mr. Conolly (Chairman), Mr. Bruce, Mr. J. C. Buckland, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Mr. Moss, Captain Russell, Hon. Mr. Stout, Captain Sutter.

The minutes of last meeting were read and confirmed.

Mr. Pyke, M.H.R., attended, and gave evidence, which was taken down by shorthand reporter. Excused till next meeting to continue his evidence.

Certificates Nos. 37073, 43848, and 43860 put in in evidence by Mr. Seddon.

The Committee then adjourned till Monday, the 7th September, at 10.30 a.m.

MONDAY, 7TH SEPTEMBER, 1885.

The Committee met pursuant to notice.

Present: Mr. Conolly (Chairman), Mr. Bruce, Mr. J. C. Buckland, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Mr. Moss, Captain Russell, Hon. Mr. Stout, Captain Sutter.

The minutes of last meeting were read and confirmed.

The examination of Mr. Pyke, M.H.R., continued by Mr. Seddon. Questions put by members of the Committee. Taken down by shorthand reporter.

Certificate No. 36067, 15th June, 1883, put in in evidence by Mr. Seddon.

Telegram from Mr. Seddon to Dennis Hannon, mining agent at Kumara, and reply thereto, read.

Declarations:—From George Watson, dated 3rd September, 1885; from George Mansfield, dated 3rd September, 1885; from George Mansfield (No. 2), dated 3rd September, 1885; from John Lambell Pearn, dated 3rd September, 1885; from Matthew Davidson, dated 3rd September, 1885, put in in evidence by Mr. Seddon.

Certificate of Registration No. 43848, Transfer of Tail-race No. 37073, and Certificate No. 37073, put in in evidence by Mr. Seddon.

Mr. Seddon withdrew while Committee deliberated. On resuming, Mr. Seddon further questioned by Chairman.

The Chairman authorized to ask for extension of time in bringing up report.

Mr. Elliott's evidence ordered to be printed.

The Committee adjourned *sine die*.

FRIDAY, 11TH SEPTEMBER, 1885.

The Committee met pursuant to notice.

Present : Mr. Conolly (Chairman), Mr. Bruce, Mr. J. C. Buckland, Colonel Fraser, Mr. Hislop, Mr. Hursthouse, Mr. Moss, Captain Russell, Hon. Mr. Stout, Captain Sutter.

The minutes of the last meeting were read and confirmed.

Resolved, That the Chairman be requested to draft a report, to be submitted to the Committee at the next meeting.

Resolved, That the Committee adjourn until to-morrow, Saturday, at 10.30 a.m.

SATURDAY, 12TH SEPTEMBER, 1885.

The Committee met pursuant to notice.

Present : Mr. Conolly (Chairman), Mr. J. C. Buckland, Mr. Hislop, Captain Sutter.

The minutes of the last meeting were read and confirmed.

The draft report was read and approved of.

Resolved, That the Chairman report the same to the House.

The Committee then adjourned.

MINUTES OF EVIDENCE.

QUESTIONS PUT TO THE MINING REGISTRAR, KUMARA, BY THE ALLEGED BREACH OF DISQUALIFICATION ACT INQUIRY COMMITTEE.

1. When Mr. Seddon applied (September, 1883) for subsidy to private parties willing to construct tail-race to relieve sludge-channel, was he one of the said parties?
2. When Watson and party applied (November, 1883), was Mr. Seddon one of Watson's party?
3. When Watson again applied (by letter, 5th June, 1884, handed to the department by Mr. Seddon, 10th September, 1884), was Mr. Seddon one of Watson's party?
4. Was Watson's claim ever assigned to Mr. Seddon and others; if so, when; and who were the others?
5. Did Mr. Seddon and six others apply, as stated by Gow, 5th May, 1885, to be registered as proprietors of Channel No. 2; if so, when?
6. Was there anything special in such application showing that Mr. Seddon was not an interested party; if so, state the precise words?
7. Were they so registered?
8. Is Tunnel Tail-race 37073 the same as Kumara Sludge-channel No. 2?
9. Was the said tail-race transferred from Watson and others to Mr. Seddon and others; if so, when?
10. What fees, if any, will be payable by parties using Channel No. 2?
11. Who will be entitled to such fees, if any?
12. Is Mr. Seddon a partner in any claims which will use the said channel; if so, what are the names of such claims, and when did he become a partner?
13. Are there any facts in connection with his partnership in such claims to show that he is not an interested party; if so, state the precise words?
14. Was regulation made under section 25 of the regulations in force in September, 1883, with respect to Kumara Sludge-channel No. 1?
15. Has Mr. Seddon ever held a permit for use of Sludge-channel No. 1? Inquire of manager, if necessary.
16. Have any regulations been made for charging fees for use of Channel No. 2?
17. Have any tail-races been registered or applied for to connect with Channel No. 2?
18. State the description of No. 37073 Tail-race: starting-point, termination-point, course, dimensions, and length, and date when first registered.

ANSWERS RECEIVED FROM J. McENNIS, MINING WARDEN, KUMARA.

1. Mr. Seddon acquired half Robinson's sixth share in Watson's double-area Claim No. 23865 by transfer, on 18th May, 1882. This claim became merged in extended claim, number of certificate 37039, dated 4th April, 1884. Mr. Seddon registered for half a share.
- 2 and 3. As far as my books show, Mr. Seddon has continuously held half a share in claim since 18th May, 1882, up to the present.
- 4 and 5. No. On 4th May, 1885, Watson, Stewart, Kirkman, Owen, Stenhouse, and Robinson transferred their full interests in Kumara Tail-race No. 37073 to J. S. Pearn, M. Borlase, W. Morriss, R. J. Seddon, G. Mansfield, R. Rothwell, and M. Davidson. Same day Pearn and others, named "the Promoters," as they are called here, applied to Warden for extension of said tail-race. Gow objected, stating that it would be an interference with existing rights. Warden granted extended right 38660, dated 29th May, 1885.
6. See Answer No. 18 [? 13], part italicised.

7. Tail-race and extension of same registered in names of "promoters." Certificates contain full particulars.

8. There is not a second sludge-channel registered here. I have every reason to believe that so-called Sludge-channel No. 2 is identical with Tunnel Tail-race No. 37073 and its extension, No. 43860.

9. Yes; on 4th May, 1885. See Answer No. 5.

10 and 11. I do not know terms of agreement, if any, between Government and promoters respecting tail-race in question, so am unable to answer these queries.

12. The only claims in which Mr. Seddon has an interest, as far as I can learn, are Cullen's and party, who used a private tail-race, and Watson's; the latter most likely will use tail-race 37073, but this is merely conjectural.

13. The sale-note authorizing transfer of Robinson's half share to Mr. Seddon is made out in usual manner, the consideration being one shilling.

14. Regulations now in force *re* sludge-channel came into operation on 12th May, 1883.

15. Manager says "No."

16. No.

17. No; but protection granted to Grant and party for their claim by Warden, on ground that they can work till the tail-race is completed.

18. Commencing within 20 feet of present sludge-channel (but not to open without further application), near peg 80 of said channel, and as marked on plan made by H. J. Wylde, Esq., surveyor, and which plan has been approved by W. N. Blair, Esq., C.E., *for and on behalf of the Government of the Colony of New Zealand*; terminating at the flat to the north of Dillmanstown, and about 200 feet east of Giddon's and party's tail-race; course about north-east, with slight curve north, and depth 8ft., width 6ft.; length, including extension No. 43860, 2,500ft.; date of original grant, 30th May, 1884.

MONDAY, 31st AUGUST, 1885.

Mr. H. J. H. ELIOTT, Under Secretary for Mines Department, examined.

19. *The Chairman.*] You are Under-Secretary of the Mines Department?—Yes.

20. You produce all the papers in connection with the Kumara Sludge-channel No. 2?—All that are on record in the department.

21. You also produce the goldfields regulations for that portion of that district?—The ordinary goldfields regulations are in force. I do not know whether you want those in relation to this sludge-channel. There are special regulations, of which I have a copy.

22. Are these original papers or copies?—Original papers; copies are made for presentation to the House.

23. What is the date of the commencement of the application?—The commencement of this correspondence is the 30th August, 1883. These are the mining regulations for the whole colony, except the Auckland District.

24. The first application for the construction of this Kumara Sludge-channel was made in 1883?—It came from Mr. Seddon to the Minister of Mines, recommending that the Government should subsidize the new channel pound for pound. The letter from the Miners' Association is there, but there are other matters in it besides the sludge-channel.

25. Was there an earlier application by some other parties?—Watson and party's name occurs in the correspondence, but the first application I can see is from the Miners' Association. There may be another application, but I do not know where it can be. Watson, I think, was the original holder of this tail-race, but he has transferred to the promoters.

26. What is the amount of progress payments that have been made on Kumara Sludge-channel No. 2?—Vouchers for £136 have passed the department, and a certificate for the further payment of £66 has been presented to the Bank of New Zealand, for which a voucher has not yet been passed, as we are waiting for the order for the bank to get the money, which has not yet come up from Kumara.

27. To whom have the payments been made?—The first payment was received by J. S. Pearn and Matthew Davidson. The receipt is as follows: "Received from the Paymaster-General, per Bank of New Zealand, the sum of £75 sterling, being progress payments for Kumara Sludge-Channel No. 2.—John S. Pearn, Matthew Davidson." The receipt for the second payment of £61 is as follows: "Received from the Paymaster-General the sum of £61 sterling, for credit of account of the promoters No. 2 Kumara Sludge-channel.—The Promoters of the Kumara Sludge-channel No. 2, *pro* Thomas Connell, Agent, Bank of New Zealand."

28. *Mr. Sutter.*] In giving this money to the promoters, was there any arrangement to protect the public—to pay for the use of the channel when completed?—The only arrangement is the bond for protection of private rights; no arrangement was made on behalf of the public.

29. That bond is to protect the Government against any special claim for damages?—Yes.

30. Did Government get any guarantee from the promoters that the work—the contract—would be completed?—No guarantee, as far as I know.

31. *Mr. Hislop.*] Was it the Government suggested the payment of the money to the promoters' account, or did they suggest it?

The Chairman: You will find that in the correspondence.

33. *Mr. Hislop.*] Was it the department suggested it?—When the first progress-payment voucher came in, Mr. Seddon was in Wellington, and I did not know how to get the money paid. I did not want to get seven signatures. He said there was a bank account, and then it was arranged that we should pay through the Bank of New Zealand.

34. Was this arrangement part of the first progress payment?—No; it was the arrangement with the bank and the promoters.

[The Chairman here read from the correspondence.]

35. Do you know if there was any arrangement?—No; the manner of payment was left to myself, for the department. The contract with Martin was not made with the Government; I could not pay Martin.

36. *Mr. Seddon.*] Was the question not raised with the Audit Department as to paying direct to the contractors, and the Audit Department said No?—There was not, as far as I know.

37. *Mr. Hislop.*] Had you anything to do with the Audit Department?—No; we had nothing to do with the Audit Department. It was arranged before the voucher went to that department.

38. Then, before that question was raised the work was going on?—The work was started before the bond was executed. This is shown by the papers.

39. *Captain Russell.*] Supposing any fresh claim opened up and wished to use the Sludge-channel No. 2, would the promoters be able to charge fees for using it, or had the Government power to do so?—The Government kept clear of it; it was looked upon as a private work for the promoters.

40. The promoters can charge payment to any fresh claim?—They can.

41. *Mr. Seddon.*] Have you anything to show, within your own knowledge, that the property is to remain the property of those who signed the bond, or are they acting for others?—I do not know whose property it is; it is not put down as Government work. I assume it would be the property of those in whose name it is registered, if registered.

42. Are you aware of the number of men who have written to the department and who have signed an agreement to leave the No. 1 Channel, on account of its capacity not being sufficient to allow them to work?—Recently?

43. No?—It may have been so. There was always a correspondence going on about No. 1 Channel and disagreements with the manager. I only speak generally: I do not know of any particular letter. There was a constant correspondence going on about No. 1.

44. The question I would ask you is this: Are the persons who signed the bond, or, prior to signing the bond, are you aware, of your own knowledge, as to whether or not those persons are, acting on behalf of themselves or others?—I am not aware of my own knowledge. You would have to get other evidence on that.

45. Are you aware whether or not there is any instruction from the Minister to hand over to local bodies: while you have been in the department, and negotiations for this channel going on, was there an order that this should be handed over to the local bodies—the County Council—after completion?—This No. 2?

46. Yes?—I never heard of such an order. There was a report on No. 1 by the Goldfields Committee, which recommended that it should be handed over, but I never heard anything of No. 2 being handed over. The Minister has frequently expressed his opinion to me that we should hand over all these works to local bodies.

47. *Captain Russell.*] You say it has passed out of the hands of Government?—It is not Government work. On the goldfields we frequently subsidize private works.

Mr. Seddon: On the 1st December, 1884, page 122, read Mr. Stout's letter.

Mr. Elliott: A memo. telegram, urgent:—

R. J. Seddon, Esq., M.H.R., Kumara.

PROPOSITION was to give, as Government contribution to companies constructing new tail-race, from £2,000 to £3,000 worth of water free. All fees for use of tail-race to belong to those who constructed it, and they to maintain it. If County Council would take over races and sludge-channel, and keep in repair without Government aid, Council receiving all fees, proposition would be favourably considered.

Wellington, 1st December, 1884.

ROBERT STOUT.

48. *Mr. Seddon.*] Are you aware whether steps have been taken so as to make it lawful for County Councils to hold these properties?—There is something in one of the Bills this session.

49. Is that in the Government Bill?—Yes. I cannot at this moment say which Bill, but it is in a Government Bill.

50. *Mr. Sutter.*] This telegram was sent before the money subsidy was agreed to?—Yes; the vote of Parliament was put on last session.

51. *Mr. Seddon.*] Has there been any instruction from the department or further consideration since the telegram sent, Seddon to Ballance, on the 13th December, 1884, page 114: has there anything been done since that?—Definite proposals?

52. Yes?—Definite proposals. [Mr. Elliott read telegram.]

Hon. J. Ballance, Wellington.

DEFINITE proposals for construction of second sludge-channel will be forwarded in a few days in conformity with Premier's letter. To expedite matters, advisable to instruct Manager to apply under Mines Act for registration of same as a main tail-race.

Kumara, 13th December, 1884.

R. J. SEDDON.

53. Is there an answer to that?—Yes, it was declined. I do not know whether Mr. Ballance answered that.

54. Did Mr. Ballance answer?—I cannot say from memory. Mr. McKerrow was travelling at the time, and I consulted him by telegram. I cannot say whether Mr. Ballance answered or not. [The telegram of the 19th December, 1884, was read.]

R. J. Seddon, Esq., M.H.R., Kumara.

WHEN definite proposals for construction second sludge-channel received, question of registration will be considered. Government Buildings, 19th December, 1884.

J. BALLANCE.

55. Has there been since—has the Government taken any steps for registration?—The Government has not.

56. Has any paper been kept back?—Not that I am aware of.

THURSDAY, 3RD SEPTEMBER, 1885.

Mr. HENRY ANDREW GORDON, Inspecting Engineer to the Mines Department, examined by Mr. R. J. SEDDON.

58. *Mr. Seddon.*] You are acquainted with the Kumara Sludge-channel?—Yes.

59. Are you acquainted with Sludge-channel No. 2?—I have not seen Sludge-channel No. 2.

60. Do you know anything of plans showing Nos. 1 and 2?—I produce the plans.

61. Upon that plan you see a line marked "Supposed tunnel"?—Yes.

62. That is, as far as you know, known as No. 2 Sludge-channel. Is this the correct copy of the plan?—That is the tracing of this plan.

63. Is this also [plan marked A, Mines 85/614]?—That is not exactly a copy of the other. From point marked CB to peg 179½ it is the same as the original. This plan is drawn to the same scale and is apparently the same in every respect, with the exception of the curve at the upper end of the tunnel.

64. What is the gradient of that, as shown by the plan, from the point CB to peg 179½?—The inclination or gradient is 2·57 feet per chain.

65. What would that be for 12 feet?—5·60 inches.

66. Will you read from page 139 the report of H. J. Wylde to J. S. Pearn, and state, after perusal, which alternative has been accepted?

SIR,—

Kumara, 2nd October, 1884.

I have the honour to hand you herewith a plan showing the result of my survey for a tail-race to carry the tailings from some of the claims on Larrikin's Flat, on the Kumara Goldfields, and thereby relieve the Government sludge-channel from the excessive work now thrown upon it. The tail-race will commence at a point 74½ chains up the sludge-channel, and will extend a distance of 37 chains, with a grade of 7 inches in 12 feet (or 3·21 feet per chain), to a gully which communicates with the public tailing site on the bank of the Teremakau River.

Two branch tail-races, each 13 chains long, will be required.

The claims which will be served by the tail-race and its branches are as follows: Rothwell and party, 6 men; Watson and party, 6 men; Borlase and party, 7 men; Mansfield and party, 7 men: total, 26 men.

The following claims can also be partially worked by the tail-race and its branches: Bain and party, 6 men; Cairns and party, 6 men; Scanlan and party, 6 men; Mead and party, 6 men; Morris and party, 4 men: total, 28 men.

The mouth of the tunnel will be 34 chains from the river, and the space thus available for deposit of tailings is far in excess of what is required.

Owing to the height of the tail-race above the tailing site and above the highest of the other tail-races, and the ample space available, no interference will take place with the deposit of tailings from the sludge-channel or from the private tail-races discharging on to the public tailing site.

Should at any time the proposed tail-race and the private races be produced until they cross each other, the proposed race will be sufficiently high to pass over the others without interfering with them.

The upper end of the tail-race will be 28 feet 4 inches above the sludge-channel, and the lower end, if continued as far as the river, will be 22 feet 5 inches above medium flood-level, but it is very improbable that the tailings will ever reach so far as the river.

I have shown on the sections the level of an alternative race following the same direction as the one above described, but having a grade of only 5½ inches to 12 feet, which would strike the bottom of the sludge-channel, and thus would serve to divert all the tailings from that channel above the point of intersection, and consequently would serve a much larger area, but it would also require a larger quantity of water to work it.

The following are the claims which such race would accommodate: Rothwell and party, Borlase and party, Scanlan and party, Mead and party, Daw and party, Schries and party, White and party, Morris and party, Watson and party, Mansfield and party, Reid and party, Netzbund and party, Hardy and party, Moore and party, Roberts and party: fifteen claims in all, being about half the total number at present using the sludge-channel.

J. S. Pearn, Esq.

I have, &c.,
H. J. WYLDE, Surveyor.

The grade here is not exactly as shown in that report. It is 3·21 feet per chain, and this 2·57 feet. The plan marked A shows 5·63 inches per 12 feet, and the plan handed in by the promoters, 5·60 inches per 12 feet.

67. *Mr. Seddon.*] How much would that be for 12 feet?—Well, that is just the 300th part of an inch more.

68. Then, from that plan it would be the one with 5·60 inches to the 12 feet that has been adopted, and not the one at 7 inches to the 12 feet?—I may say that the longitudinal section of this plan A is different from the first plan. The figures on it are all different.

69. From reading that report of Mr. Wylde's, and looking at the plan before you marked A, can you say which has been adopted—the one to accommodate twenty-six men, or the one to accommodate sixteen parties, and which enters the sludge-channel?—I would not like to say which is adopted. This is the plan [A] handed in by the persons who executed the bond.

70. What is the date of the plan A, and by whom is it made?—I do not know who made it, and there is no date on it.

71. Did you bring up the original papers?—Yes.

72. Would you produce the plan from them?—This plan is handed in with the bond executed by the parties to insure the Government against any damages that might accrue to other parties by the construction of this channel. That is the plan attached to the letter from W. Morton Purkiss.

73. Is there any reference to the contract in that bond?—It is a bond to insure the Government against any damages which might accrue to other tail-races.

74. Will you turn to the contract and see what the grade is for the construction. It is dated the 21st April?—I have a copy of it here.

75. From the copy of the contract, what is the grade and the description; and will it agree with plan A attached to the bond?—The specification refers to the longitudinal section; the grade is not shown in the specification, and the plan is not attached to it. The length specified here is exactly the same as on plan A.

76. What is the length?—39 chains 21 links. It refers to the "accompanying plan," but there is no plan with it.

77. Is there any other description that would identify the two?—A general description is given here.

The tail-race to commence at a point near public tailing site, Kumara, shown on accompanying plan and section marked O, and finishing at a point marked C. E. 39 21 on plan and section, a total distance of 39 chains 21 links, equal to 2,588 feet, and consists of the excavation and construction of a tunnel tail-race and sinking a shaft, with all necessary works, as specified hereinafter, and delineated on accompanying plans and drawings.

78. *Mr. Stout.*] Does that description agree with the plan?—Yes.

79. *Mr. Seddon.*] Will plans B and C, with the exception of the curve, agree with plan A and the general description of the contract?—The plan does, but not the longitudinal section.

80. Is the grade marked upon plans A, B, and C the same?—A and C are not the same.

81. What is the difference in the grade?—The 300th of an inch in 12 feet.

82. And the grade of plan A is?—5.63 inches in 12 feet.

83. Turning to Mr. Wylde's report, page 139; according to the section shown upon plan A, which alternative would be shown in that report?—It is totally a different grade from the one in Mr. Wylde's report. He advocates a grade of 7 inches in the 12 feet.

84. What does that alternative say?—It says it will accommodate sixteen parties.

85. Is there anything about No. 1 Channel in Mr. Wylde's report?—There is.

I have shown on the sections the level of an alternative race, following the same direction as the one above described, but having a grade of only $5\frac{1}{2}$ inches to 12 feet, which would strike the bottom of the sludge-channel, and thus would serve to divert all the tailings from that channel above the point of intersection, and consequently would serve a much larger area; but it would also require a larger quantity of water to work it.

86. Turn now to the same report; and, in reference to the first proposal, what height would that be above the Kumara Sludge-channel? Does it mention anything about the sludge-channel, or what height?—The upper end of the tail-race is 28 feet 4 inches above the channel, and the lower end, if continued as far as the river, would be 22 feet 5 inches above medium flood-level.

87. On plan A the grade is 5.63?—Yes.

88. And on plan C, 5.60?—Yes.

89. Take plan D: upon that plan, starting from the same point, does that show the difference between the alternate grades?—This is a different plan altogether. It shows the grade of the proposed tunnel to be 2.41 per chain. Plan D shows the same grade as plan A; but I may say there are two grades upon the plan, and these grades do not correspond.

90. As they appear in the plan, the grade is identical?—As far as the writing is concerned.

91. Turn now to plan C: what is the total length, commencing from the Teremakau River, and terminating at Channel No 1, point B at the river: what distance did Mr. Wylde give in his report from No. 1 Channel to the Teremakau River?—Seventy-one chains.

92. What length in feet would that be?—According to measurement on plan by scale the total distance would be 72 chains 8 links from No. 1 Sludge-channel to point B, River Teremakau.

93. Now, return to page 138; you will find a report there by Mr. Gow, dated the 11th October. Which of the claims does that report affect?—Page 138 is a copy of a telegram.

J. Gow, Esq., Kumara.

MR. SEDDON has produced plans by H. J. Wylde of proposed new tail-race. Minister wishes report from department on the scheme. Would you see Mr. Wylde about levels, plans, and report. Also see Mr. Pearn about his report. Please give your view of the scheme and your estimate of cost. If you wish we can send tracing of plan and copy of reports handed in by Mr. Seddon.

Wellington, 10th October, 1884.

H. J. H. ELLIOTT.

94. Turn to that report of Mr. Gow, under that instruction; look at page 132: what does Mr. Gow say there?—

Re proposed new tail-race to near the top end of the Kumara Sludge-channel, to relieve the same of the excessive work now thrown upon it.

SIR,—

Kumara, 18th October, 1884.

In conformity with your request in telegram of the 14th instant, I have the honour to report as follows:—

Although the channel with the four three-hours shifts of six parties each fully accommodates all who claim a right to use it, the energetic way in which some of the claims are now being worked renders it totally inadequate to accommodate the same number of parties divided into three shifts during four months in midwinter. The only remedy to resort to to prevent a total cessation of work during that time by about one-third of the parties is to give them turn and turn about, which will average a little more than half time, or from three to four shifts each week. This loss of time reduces a fairly-payable claim to a non-payable one for the time, and saddles a very poor claim with a debt at the commencement of the full-shift time. The desire to remedy this evil, and at the same time to procure additional tailing-room, where they would feel certain of being able to work the whole of their claims, has suggested this new channel to be constructed at Government cost instead of granting a subsidy to a tail-race intended to accommodate four claims only, which would only be a partial cure.

I have compared Mr. Wylde's plan and section of main line with my own, and find his levels correct. Of the two schemes the one to tap the present channel would prove of greatest utility. It would open an extended area for tailings, and would, I think, cure all claims for priority. My estimate of cost of the two schemes includes stone paving in the new channel ready for work, and wood blocks in the tail-race to work the four claims only.

The tunnel for new channel to be 7 feet high by 4 feet 7 inches wide, in clear legs 7 inches, and caps 9 inches diameter, red-birch planking $1\frac{1}{2}$ inches thick, and channel 32 inches wide by 32 inches deep, set on one side of tunnel, and a side-walk 14 feet wide between side-straps and legs. The tram to be on edge of channel, 14-inch stone paving. Estimated to cost 36s. 6d. per foot = £4,456 13s.

| | | | |
|--|----|----|-------------|
| An ordinary tail-race to work the four claims, 32 chains at 13s. | .. | .. | £1,372 16 0 |
| Two branches to present workings, 15 chains at 12s. | .. | .. | 594 0 0 |

£1,966 16 0

This is about what it would cost if miners did the work; but I am doubtful if they can do anything toward it unless they are paid £3 per week for their labour. If the branch channel be constructed, I am of opinion that some of the claim-holders will be expecting payment from some one for having to drive a new tail-race into it, otherwise they will refuse to leave or cancel their right to use of old channel. This would have to be arranged beforehand and made very clear.

Additional flushing water would be required and larger storing capacity at the Loopline Dam, and probable enlargement of race-tunnel and race from these to the claims.

The Under-Secretary for Gold Fields, Wellington.

I have, &c.,

J. Gow, Manager.

95. You reported on that to Mr. Gow. State what it says?—It is not my report at all. It is a telegram I have received from Mr. Gow, and likewise a minute I sent to Mr. Elliott.

H. A. Gordon, Esq., Inspecting Engineer, Wellington.

THE estimate equal to £4,456 is for 37 chains of main tail-race only. If two branches are to be included in this work, the right hand one, equal to 8, and the left-hand one, equal to 7 chains, will reach present workings, and work Rothwell's and Mansfield's claims.

Kumara, 24th October, 1884.

J. Gow.

H. J. H. Elliott, Esq.

You will observe that Mr. Gow's estimate is only for 37 chains of main tail-race, and does not include any of the branches shown on plan. I calculated for the entire length of branches, 26 chains; but according to this telegram 15 chains would be all that is required. This would reduce my estimate to about £7,051, and it would increase Mr. Gow's estimate to £6,263 8s., to which ought to be added 10 per cent. for contingencies and supervision, which would make it £6,890. I made the same allowance when making up mine.

25th October, 1884.

HENRY A. GORDON.

96. Will you turn to the contract and Mr. Gow's letter of dimensions, and say whether the two correspond?—I may say this tunnel on plan B corresponds with Mr. Gow's letter, and the contract, as far as I can judge, with the exception of the curve at the upper end.

97. Now, turn to plan C: what is the upper line shown there?—It is a grade of 8 inches in 12 feet.

98. Read those telegrams from Elliott to Griffiths, and Griffiths to Elliott?—Mr. Elliott's telegram is dated the 1st September, 1885.

H. Griffiths, No. 2 Channel, Kumara.

At request of Mr. Seddon, Minister of Mines desires me to ask following questions: First, was a tunnel commenced above No. 2 at nearly the same point in the gully? Ask Watson and party by whom it was commenced, and at what height approximately above the present No. 2. Second, ascertain from Watson and party what grade they intend giving tail-race No. 37073 when applied for. Third, ask them to show you on the claim where the notice was posted for that race, and describe the nearest boundary after you have seen the place, if at boundary or at centre of claim. State position from boundary. Reply to-day if possible.

1st September, 1885.

H. J. H. ELLIOTT.

Under-Secretary for Goldfields, Wellington.

In reply to Minister of Mines' questions of this date: Question first, Yes. Question second, 37073 was commenced by Watson and party 11 or 9 feet higher than No. 2 Channel; the intended grade was 8 inches in 12 feet. Question third, the notice was posted in the middle of the claim, about 2 chains from southern and nearest boundary, on the line of No. 2 Channel.

1st September, 1885.

H. GRIFFITHS,

Manager, No. 2 Channel.

99. Would this line marked 8 inches to 12 feet, and shown in plan C, correspond with No. 2?—I cannot tell what No. 2 is. It will not correspond with what is shown on the plan as No. 2 Sludge-channel.

100. Have you shown in C what would correspond with the answer from Mr. Griffiths?—Yes; these two lines would correspond with the answer from Mr. Griffiths, commencing at 10 feet above the starting point.

101. You have had some experience as goldminer and mining manager?—Yes.

102. For many years?—About thirty years.

103. In applying for registration, would it require two rights for those two lines shown upon plan C?—You might want two if there were two separate channels.

104. If they were both constructed?—Then, you would want two rights; but the two could scarcely be constructed, as one would interfere with the other. You could not well have two sludge-channels on the same line.

105. Will you look at the proposed rules and regulations for the Kumara Sludge-channel No. 1?—

Proposed Rules and Conditions for Kumara Sludge-channel.

1. All former regulations and conditions are hereby repealed, but this repeal shall not affect any rights acquired under the regulations and conditions so repealed.

2. In the interpretation of these regulations the following words shall have the meanings herein assigned to them:—

"Sludge-channel" shall mean the main tail-race commonly known as the Kumara Sludge-channel, and held under certificate of registration No. , and every part thereof:

"Tail-race" shall mean a registered tail-race opening into the sludge-channel, for the purpose of discharging tailings and *débris* into the same:

"Certificate" shall mean the certificate of register for a tail-race:

"Permit" shall mean a form of license to use the sludge-channel granted to any person under former regulations.

3. No person except the holder of a permit shall use the sludge-channel unless subject to these regulations.

4. All owners of tail-races whose permits have expired, or shall hereafter expire, must, before they again obtain the right to use the sludge-channel, obtain a renewal of their certificates. Such renewal shall be for not more than one year at a time, and the renewed certificate shall be indorsed subject to these regulations: Provided that no renewal shall prevent the Government from at any time closing the sludge-channel if it shall be deemed necessary to do so, or entitle any person to compensation on that account.

5. No application for or registration of any new tail-race, and no renewal of any tail-race, shall give any right to use the sludge-channel unless the written consent of the manager shall be filed in the Warden's Office.

6. No person using the sludge-channel shall be entitled to discharge any water therein other than natural drainage, except water supplied from the Government water-race, known as the Kumara Water-race.

7. For a length of 60 feet at either the upper or the lower end of every tail-race the fall shall not be greater than 4 feet in the chain, or 8 inches in every 11 feet; and the manager may at any time require the grade to be adjusted accordingly at whichever end he may think necessary.

8. Any share or interest in a tail-race may be transferred; but no transfer shall be recognized unless registered in the Warden's Office, and no transfer shall be registered without the written consent of the manager: Provided that such consent shall only be withheld so long as either the transferor or transferee shall be indebted to the Government either for water or the use of the sludge-channel.

9. The manager shall have power to arrange the order of working amongst the parties using the sludge-channel and to assign to each such hours for sluicing as he may deem to be necessary for the avoidance of blocking in the sludge-channel, and for the safe working of the sludge-channel, water-races, and flumes. A day's use of the sludge-

channel shall mean a period of not more than four hours, but this period shall be subject to reduction whenever this shall be necessary, for the purpose of allowing every party connected with the sludge-channel to make use of the same.

10. The payment for the use of the sludge-channel by the registered owners of any tail-race shall be 10s. per week for every person employed in any claim from which water and tailings are run into it. Such payment shall be made every four weeks at the office of the manager, who may prohibit any party in arrears from using the sludge-channel until payment is made.

11. No party using the sludge-channel shall employ in connection therewith a greater number of men than that specified on their certificate, without first giving notice to the manager of the number of men so to be employed; and payment for the use of the sludge-channel shall be made accordingly until notice shall have been given that the number of men has been reduced.

12. All persons using the sludge-channel shall immediately stop sluicing into it when required so to do by the manager or his deputy, either verbally or in writing, or by signal, and no person shall have any claim for compensation by reason of such interruption of work: Provided that, if the loss of time during working hours in any one day caused by notice from the manager by reason of the blocking of the sludge-channel or any other cause shall exceed half an hour at any one time, allowance *pro rata* for such loss of time shall be made in the charge for water.

13. The manager shall at all times have full access to any tail-race discharging into the sludge-channel, or any claim connected with such tail-race; and every person owning, occupying, or using such tail-race or claim shall, when required by the said manager, afford him or his deputy every facility for obtaining such access, and for allowing inspection of his or their claim and tail-race and the working thereof.

14. The holders of tail-races shall be liable in damages for any injury to the sludge-channel by the neglect, carelessness, or unskilful working of any person employed in or about their claims or tail-races.

15. No protection of any claim or tail-race shall be applied for, or shall be valid, unless written notice of the application shall have been previously given to the manager.

16. All persons owning, occupying, or using tail-races connected with or running into the said sludge-channel shall keep and at all times maintain, in a conspicuous place near the head of their boxes, so as to be plainly seen from the surface of their claim, an iron or wooden grating, to be approved of by the manager before and after being fixed, and of such size and dimensions as to prevent stones, tailings, timber, and other substances of greater diameter than nine inches, measured in any way, from passing through their said tail-races into the said sludge-channel; and no person shall, under any circumstances, send into or down the said sludge-channel stones, tailings, timber, or other solid substances of a greater diameter than that above specified. No angular stones whatever shall run into the channel, and any person found breaking stones up in order to reduce them to the minimum size above defined shall be held to have committed a wilful breach of these regulations: Provided that the size of the grating may, if the state of the sludge-channel shall render it necessary, be further reduced upon the renewal of the certificate of any tail-race.

17. The entrance from every tail-race to the sludge-channel shall be constructed in a workmanlike manner, and shall at all times be kept in good and substantial repair, to the satisfaction of the Manager; and no props or timber of any tail-race within 10 feet of the sludge-channel shall be removed without the consent of the Manager.

18. If any party neglect or refuse to comply with any of these conditions after notice in writing, the Manager may prohibit such party from using the sludge-channel until the conditions are complied with, or an order of the Warden obtained: Provided that, in case of urgent necessity, the Manager may do and perform any act, matter, or thing at the expense of any person who, being required under these conditions to do or perform the same, shall, after written notice, refuse or neglect to comply.

Would it require a certificate similar to this [No. 37073 produced]*, and regulations similar to those, to work No. 2, if completed?—I cannot say anything about the regulations. I understand it is not a Government work.

106. If any private persons had it?—I expect they would have some agreement among themselves. This is the certificate. [No. 29967 produced.]*

107. Is my name upon it?—No; I do not see it.

108. On that plan C, will you show the spot 700 feet from Gibbon and party's tail-race?—I think this is the spot marked O at your request yesterday. It is about 700 feet, as far as the scale is concerned, east of Gibbon and party's tail-race.

109. What are the magnetic bearings of No. 2, as shown on plans A, B, C, and D?—Two hundred and fifty-one degrees fifty minutes on plans B and C.

110. And on plan A?—It appears to be to the east of north and west of south.

111. *The Chairman.* You have four plans before you, Mr. Gordon, A, B, C, and D: who made plan A?—I am not aware who made it. There is no name.

112. Who made plan B?—Mr. H. J. Wylde.

113. Who is Mr. Wylde: is he a Government officer?—No; he is a private surveyor.

114. By whom is plan C made?—It seems to be made by H. J. Wylde.

115. And plan D?—There is no name upon it.

116. Where does it come from?—It is supposed to be a copy of plan A, but it is not quite.

117. I notice there is plainer information upon plan B. Where does plan D come from into your hands?—It was handed to me by Mr. Seddon.

118. Do you know this work on the ground?—I have not been upon the ground since the work was commenced.

119. Had you been previously?—Yes.

120. When were you last on the ground?—I could not tell the exact date, but I think twelve months last January.

121. Within the last two years?—Yes.

122. It appears from the correspondence that Watson and party applied in November, 1883, for assistance to a proposed tail-race?—Yes, they did.

123. And that Watson and party are registered for a tail-race called 37073?—Yes; I have seen the certificate for that.

124. Has that tail-race ever been commenced?—I do not think so; but I could not tell.

125. We have received from Mr. McEnnis a description of this tail-race: its starting point, termination point, course, dimensions and length, and date of registration. Can you inform the Committee how far that coincides with or differs from Sludge-channel No. 2?—This description would not coincide with the line of No. 2 Channel, as shown on plan. It would come farther to the east than the line shown here. It does not coincide with Sludge-channel No. 2.

126. To what extent does it differ?—The upper end is the same; the outlet end is different, perhaps 4 chains.

127. Is the course the same?—It slightly differs from Sludge-channel No. 2.

128. If Watson's channel had been made, would it have been on the same line as Sludge-channel No. 2?—Not exactly on the same line. The first plan that Watson and party sent in might throw some light upon it. There is the plan sent in by Watson and party on the 26th November, 1883, proposing to construct a tunnel 1,551 feet in length, having a fall or inclination of 8 inches to 12 feet. The bearing of that tunnel is given as 192° . It appears to go not exactly in the line, but running to somewhere near the same point in Watson and party's claim as the present channel.

129. Does the course agree, or nearly agree, with No. 2?—There are $9^{\circ} 50'$ difference between the two directions. It does not exactly touch the same point in Watson's claim, but it goes through their ground.

130. *Mr. Seddon.*] What are the dimensions of Watson's claim?—It seems to be six men's ground. The acreage is not marked.

131. *The Chairman.*] If Watson's tail-race had been made according to that plan, would it have had nearly the same effect as to relieving the Sludge-channel No. 1, and certain claims that Sludge Channel No. 2 has affected?—It would not have allowed very many claims to be worked, as the grade is at a higher level.

132. I do not exactly understand some of these terms. A right for 37073 and extension for 43860 are stated to be granted to Watson and party. Would that cover a certain length and breadth of ground?—An extension would mean extra length of channel at either end.

133. Would that extend to a certain breadth of ground as well as length?—It would only extend to so many feet a short distance from each side, in order to protect the channel. It would not be more than a small width.

134. The ground granted to Watson and others for making their tail-race: would it be likely to cover the ground on which the present sludge-channel is to be made?—I do not think, so far as the lower portion is concerned, that it would. The line of present channel, as shown on plan, appears to go to about the same point on their ground as that originally granted. The upper end, where the first channel proposed to enter their ground, appears to go nearly into the same place as the present No. 2 Channel.

135. How far would their widest point of divergence be?—About 4 chains, according to the plans as sent in.

136. Would the registration of Watson's 37073 and extension of 2,500 feet in any way apply to Sludge-channel No. 2, or would a separate registration for Sludge-channel No. 2 be requisite?—I do not think it would be requisite if an arrangement were made with Watson and party to construct the channel on something like the same line.

137. *Mr. J. C. Buckland.*] From these plans, are you satisfied that you know the present course which is now being worked in Sludge-channel No. 2?—I do not know the course; I only know the plans. The whole of the evidence I am giving is given upon the plans sent in to the department.

138. We have heard of two courses on these plans: have you arrived, in your own mind, at a decision as to which of these is Channel No. 2, now being made?—I should think it was that shown upon plans A and B. Although the grade is slightly different, it is something upon that line.

139. What does this extension mean?—It would mean that it could be extended at any end.

140. Would it apply to altering the course sideways?—No.

141. Did I understand you to say, in reply to Mr. Conolly, that if the owners of the present No. 2 also were owners of 37073, they would then have no need to register No. 2?—Yes; if constructed upon the same line.

142. That is the point I want to clear, as to whether they are upon the same line. It is this: Does the position of 37073 obviate any need to register No. 2, supposing it is owned by the owners of No. 2?—That is a point I should not like to answer definitely unless I saw the ground.

143. If the owners of 37073 had made their race, could No. 2 race have been made: would the one have interfered with the making of the other?—Most undoubtedly; it would make a great difference. The tailings would have filled up the race, and it would have been no use at all.

144. *Captain Sutter.*] That registration would cover the upper part of No. 2?—Well, it comes to the same place.

145. Then you do not know anything about what 43860 covers?—No.

146. No. 43860 is not shown in plan, is it—that is, the extension of 37073?—It is not shown in the plan. It might be the extension at the head or at the end. It is possible it might be the upper portion of it. The original certificate only covered 1,551 feet to bring it to this point, and then the extension would be to join No. 1 Sludge-channel, or it might be the extension to the Tere-makau River.

147. *Mr. Hislop.*] Was this No. 2 Channel projected before you left Kumara?—No; it was spoken of, but no steps were being taken.

148. *Hon. Mr. Stout.*] You have had considerable experience in registering water-races and tail-races, and have seen them cancelled very often. Is it not a fact that when you apply for registration you must mark on the ground where you propose to go?—Yes.

149. And if the termination was different from the peg you put up, would that not be a ground for cancellation?—Yes.

150. Would not 4 chains be too wide a margin for the termination of a tail-race?—Yes.

151. And that would be a ground for cancellation?—Yes.

152. *Mr. Hursthouse.*] Judging from the plans you have seen to-day, are you of opinion that the claim known as Watson and party's will receive any benefit from the construction of No. 2?—Yes, undoubtedly.

153. *Mr. Hislop.*] Is it discretionary or is it compulsory upon a Warden to cancel a license?—I think it is discretionary to a certain extent.

154. *Mr. Seddon.*] Turn to Watson and party's letter of the 26th November, 1883, and say how many parties this water-race is to accommodate?—I understood it was to accommodate four claims.

155. Does it mention the claims?—Not in Mr. Watson's letter.

156. It simply says it will accommodate other claims?—Mr. Watson does not state any number of claims.

HON. SIR,—

Kumara, 26th November, 1883.

We the undersigned have the honour herewith to apply for assistance under Class VII. of the Public Works Estimates, 1883-84, under heading "Subsidy to Minor Works on Goldfields."

The following are the particulars upon which we most respectfully base our claims for assistance :—

1. In April, 1882, we applied for and registered a double-area claim. Said claim was commanded by and could be sluiced into the Kumara Sludge-channel.

2. In April, 1882, we registered a tail-race having an outlet into the said sludge-channel, and obtained permits from the manager entitling us to the use of the said sludge-channel. We then proceeded to construct the said tail-race and to prepare our claim generally for conducting sluicing operations in connection with the sludge-channel, which work we completed in January last, at a cost of £750. We now find that the carrying capacity of the Kumara Sludge-channel is not large enough to allow of our claim being accommodated and worked in an efficient and profitable manner, in proof of which we may state that since January last we have only been able to obtain the use of the sludge-channel one week a month, or, in other words, we have been idle three weeks out of every four since that date.

3. In order to work our claim—which we have proved to be a valuable one—in an efficient and profitable manner, we have decided to construct a tail-race that will work our claim, independent of the sludge-channel; but, owing to our being involved in debt through opening our claim in connection with the sludge-channel, we cannot attempt it without assistance. We forward herewith a sketch-plan of the tail-race we propose to construct, also a plan showing the position of our claim and others adjoining; also the position of the Government sludge-channel, which will enable you to see that the proposed tail-race will command a tailing site in a different direction to the one the sludge-channel discharges upon. We may state that the tailing-site is a very extensive one, and that we have secured the site for a tunnel by application to the Warden in the usual manner.

The dimensions of the proposed tail-race are as follows: Length, 1,600 feet; height, 7 feet; width, 4 feet; sluice, 2 feet 8 inches by 2 feet; cost of construction, about £900.

Finally, we are prepared to submit to any conditions or restrictions you may deem necessary to impose, such as purchasing Government water, and accommodating such other claims as the position and capacity of the race will allow.

Trusting you will consider this application favourably,

We have, &c.,

| | |
|--------------------|-------------------|
| GEORGE WATSON. | JOHN KIRKMAN. |
| JOHN STUART. | ANDREW STENHOUSE. |
| G. JAMES ROBINSON. | JOHN OWEN. |

The Hon. William Rolleston, Minister of Mines, Wellington.

157. Whose name is to the letter?—Watson and others.

158. You were asked a question as to whether or not a tail-race had been commenced?—Yes.

159. Will you turn to that letter of Mr. Griffiths and see what he says: does that not say that a tail-race had been commenced above No. 2?—Yes; it seems it was commenced.

160. If the race was registered in May, 1884, and nothing has been done since, would not that be a ground of cancellation or abandonment?—It would be one ground of cancellation if you do not complete it.

161. If Watson and party have a tail-race, and are now in full work in No. 1, would it not be optional for them to act with No. 2?—I look upon No. 2 as being constructed for the benefit of Watson and party.

162. Would it not be optional with Watson and party whether or not they were connected with No. 2?—They cannot help being connected, for the tail-race goes right through their claim.

163. Will you look at the plans and say what is the depth of Watson and party's workings, and the level of No. 2?—It is below the bottom of Watson and party's workings.

164. A good few feet?—Yes.

165. Would Watson and party require to register the tail-race to connect with No. 2?—No.

166. How would they connect: what would be the mode of action?—They would have to cut down the tail-race.

167. Do you show upon that plan a branch going through Watson's claim?—There are two, and those branches would require registration; but those branches are not for Watson's party; they work other claims.

168. What would you reckon the expense of constructing that branch?—I would not like to say. I think it would take very little; but it depends entirely upon the nature of the ground.

169. Commencing at the extension, where would 2,500 feet take that tail-race?—It would take it down among the tailings.

170. Where would it take it the other way?—If it were extended 2,500 feet it would take it across the No. 1 Sludge-channel altogether.

171. Refer to plan C; if a tail-race were constructed on that level as shown there, and people were working it, would it be injurious or dangerous to the party on the lower one?—Most undoubtedly.

172. Would it also be a greater source of danger to workings upon the level above it?—I do not think it would be dangerous to the workings above it if properly constructed. You could not work the two on the same line.

173. If you or any other person were desirous of constructing a tunnel on the level of No. 2 tunnel as shown on the plan, and there was a right in existence at the level shown as Watson's right, would it be a judicious course to remove that right by cancelling or acquiring it?—Yes.

Mr. WALTER SCOTT REID, Solicitor-General, examined.

174. *Mr. Seddon.*] You are Solicitor-General?—Yes.

175. You have had experience in mining law?—Not of recent years. It is fully fifteen years since I visited the goldfields.

176. Under section 16 of the Mines Act—?—I may say at once if you are going to put me specific questions I should prefer them being put in writing. I do not profess to answer such questions off-hand.

177. Would you look at this plan marked C. Supposing this to be a registered right in a given direction, would it be requisite, if a person wished to construct another one here, to apply to the Warden for the right and register it?—I should say so; certainly.

178. Even if it were on the same line, but on a different level?—Yes. But, of course, I do not know whether there is any regulation that absolutely bears upon that or not.

179. Taking 37073 right: if a party made an application to the Government, and the Government agreed to give a subsidy to them, could that be taken to mean a contract, and be brought under the Disqualification Act?—I would not undertake to answer a question like that without consideration. I think it is too general.

180. *Hon. Mr. Stout.*] If you apply for a right and get it registered for a certain course, and then deviate from that, what would be the result?—The right may be determined.

181. *Captain Russell.*] If this sludge-channel is to effect exactly the same purpose as the other channel, would that apply. If you divert the thing, but still carry out the same purpose, would it be necessary to have a fresh right?—That would be a matter for the Warden to consider.

FRIDAY, 4TH SEPTEMBER, 1885.

Mr. VINCENT PYKE, M.H.R., examined.

182. *Mr. Seddon.*] You are a member of the House of Representatives?—Yes.


183. Have you had any experience on goldfields, in what capacity, and for what period?—I have had thirty-four years' experience as miner, Warden, and Magistrate in Victoria and in this colony.

184. Are you acquainted with the mining law of New Zealand—"The Mines Act, 1877"—in detail?—Yes; I have had to administer it, and am therefore necessarily acquainted with it.

185. Will you look at Part I. of the Regulations, Appendix D, pages 167 and 168, of "The Mines Act, 1877"?—Yes; I know it by heart.

186. For the information of the Committee, would you read the part referring to the marking-out of water-races?—

"Mines Act, 1877," Appendix D, Clause 21.—Extract from.

The intended course thereof shall be indicated by pegs not less than two inches in diameter, or by large stones marked  and placed not more than two hundred yards apart; and such notices shall state the mean breadth and depth of the proposed water-race and the quantity of water it is proposed to divert, and shall also state the time required for the construction and completion of such race. And if no valid objection be entered against the construction of such water-race within fourteen clear days from the delivery of such notice, a license in the form of Schedule E to these regulations may be granted by the Warden to the applicant, subject to the provisions and conditions herein contained.

187. And the course has to be marked out?—Yes. The intended course must be indicated by pegs or large stones, marked with a broad arrow, and placed not more than two hundred yards apart, and the breadth, depth, and the quantity of water must also be stated.

188. Will you read to the Committee the form prescribed in the Schedule (page 176) for water-races?—The Schedule is a form of application for a license for constructing water-races.

SCHEDULE A (CLAUSE 1).—WATER-RACE.

To the Warden at _____, [District and date.]
hereby give notice that _____ intend to construct a water-race to divert and use water for mining purposes,
commencing at a point [*] and terminating [*].
The length of such race is _____ or thereabouts, and its intended course is [*].
The mean depth and breadth of such race is [*], and it is proposed to divert [*] Government,
heads of water.

[Name in full of Applicant, with number
and date of miner's right.]

Any person objecting to the granting of this application must lodge his objection in writing at the Warden's office
at _____ within fourteen clear days from the date hereof.
Hearing at _____ on _____

* Here describe precise localities, naming source, &c.

The length of the race must be distinctly defined, and the commencement and termination must be distinctly defined; the depth and breadth must also be defined, as well as the number of heads of water proposed to be diverted. You find, in the note to the asterisks, the direction, "Here describe precise localities."

189. Will you turn now to clause 20, page 174. Would the same regulations and same law apply to a tail-race as applies to a head-race?—Of course it would. Whenever a miner obtains any right of any kind on a goldfield, and more especially with regard to water, it must be a precise application, indicating the exact position of the right claimed.

190. Will you read the paragraph?—"Any person applying for a tail-race shall, in addition to posting notices at each end of the proposed race, mark out the course of the same in the manner prescribed in clause 1 for water-races." The whole administration of the Mines Act and the gold-fields law generally depends upon the precision of the application.

191. Then, the marking-out of a tail-race would be the same as in the case of a head-race?—Certainly. Any deviation, I repeat, would be fatal to the whole of the certificate.

192. Look at sectional plan, the lower line going to Scanlan's workings, and terminating at the bend on the terrace; another line runs above that: would it be possible, lawful, or customary to take the right from the upper line and apply it to the lower?—If such a thing was done, and I was Warden, I would cancel the certificate on complaint being made, inasmuch as a man securing a right from one point to another has no right to take it in any other direction.

193. Then, if this is registered 6 feet by 8 feet, and mentioned in the certificate, would that be the extent of the right of the parties?—The grant would be for the exact thing described in the application. What I mean is, it is not permissible for any man obtaining any right upon a goldfield to vary it from the original application.

194. Then, if there were two rights, or two tunnels, or two races exactly in the same course, but on different levels, would it be possible to say that the upper or lower right, as the case may be, could be transferred from one to the other?—Not without process in the Warden's Court. The Warden might, on application, consent to the right being transferred. It could not be done at the mere will of the parties. * [Telegram from Griffiths and reply handed in, date 1st September.] *

195. You have read the queries put in the telegram?—Yes.

196. As regards the first query, what is the answer?—"Yes; 37073 was commenced by Watson and party."

197. Having read the telegram, and reply thereto, would that indicate there were two rights: No. 2 Sludge-channel, and Tail-race 37073?—Certainly it will indicate two rights—two separate and distinct rights.

198. Now, having commenced the construction of the tunnel at a certain level, as mentioned in that reply, would it be possible subsequently to take the same certificate, and apply it legally to another tunnel below it, without applying to the Warden?—Not legally; the owners would do it on peril of forfeiture.

199. If an application were made for an extension of a registered right, what would "extension," in the ordinary mining sense, mean?—It would mean exactly what the word means in the dictionary.

200. Then, if the right was registered as 1,600 feet in length, and an application were made to extend that, would it be necessary to state the exact spot where the extension commenced and terminated?—Certainly. I would repeat that everything in connection with the ownership of mines and mining property must be applied for in the most precise terms, because any deviation from the exact description which is given in the application would be a flaw in the title, and might endanger the holding of the property.

201. What is that [producing a document]?—Certificate of registration, 43860, for extension of Tunnel Tail-race No. 37073, commencing from a point 20 feet from the present sludge-channel.

202. Where is the exact point?—Twenty feet from the present sludge-channel, near peg 80, sludge-channel.

203. What is the terminating point?—"Terminating at the commencing point of said tunnel tail-race, near north-west boundary of Watson and party's claim." The north-east end would be the terminating point of the tail-race.

204. If the certificate said the tail-race commenced at the claim and terminated in the gully, what would be the commencing point?—The commencing point would be at the claim.

205. Which is the south-west boundary of Watson and party's claim?—I should say the commencing point. I do not know how to describe it otherwise.

206. Does that tunnel, as marked on the south-west boundary, go to Watson and party's claim?—If this line indicates the tunnel, it goes up to the Government Sludge-channel, and crosses Watson's claim. The termination of the extension would be at Watson's claim.

207. Then, if this 37073 was on the south-west boundary of Watson's claim, and the point was marked on the certificate 43860, the commencing point mentioned as being 20 feet from the sludge-channel, and the terminating point at the commencing point of Tunnel Tail-race 37073, would it be possible to legally apply this certificate for a tunnel going through the centre of Watson's claim on a different grade?—No; you cannot divert a right for one locality to another locality, or make any change, without the sanction of the Warden, any more than you can take the section of land in any block in lieu of another section which you may have bought.

MONDAY, 7TH SEPTEMBER, 1885.

Mr. V. PYKE further examined.

208. *Mr. Seddon.*] Mr. Pyke, will you turn to page 175 of the regulations under "The Mines Act, 1877:" what has that reference to?—Main tail-race for mining purposes.

209. What would be the legal course to pursue in applying for a tail-race of that kind? What is a main tail-race?—A main tail-race is described here: it is a tail-race in which tailings flow from a number of claims, as distinct from a private tail-race belonging to a single party only.

210. Would you consider a race that was to accommodate fifteen parties of six men each a main tail-race?—Yes; but it would have to be applied for as a main tail-race in the first instance.

211. What course would have to be adopted in making application?—Application would have to be made in writing to the Warden, in terms of Schedule E, as set forth in the regulations. The Warden may then grant such application or refuse it. In the event of his granting it, it must be publicly notified in a newspaper circulating in the district, or in such other manner as the Warden may deem expedient.

211A. In section 25?—That is a different kind of tail-race, and refers to a main tail-race constructed by private enterprise, as differing from that granted to a number of persons. The persons who are authorized to use a main tail-race have to frame conditions, subject to the Warden's approval, for the construction of a main tail-race by joint labour, and the manner in which it shall be used. Section 25 relates to a main tail-race constructed by private enterprise; but even then

* *Vide* telegrams in reply to question 98.

† *Vide* Appendix.

the Warden may grant authority to persons other than those who constructed it for its use afterwards: the object of granting a main tail-race being to drain a large area of ground, and not for the use of a single claim.

212. Then, if under sections 23, 24, and 25 there has been no application to the Warden, and no conditions or regulations made, no race could exist?—No; it would have no legal existence.

213. Will you look at these regulations: "Rules and Regulations for the County of Westland Goldfields, 1871." You see in clause 180 reference to mortgages?—Yes; protection to mortgagees.

214. Turn to 179?—Yes; that is the lien clause.

215. Provision was made under these regulations for registering mortgages?—Yes; or liens.

216. Is there any such provision in the present Mines Act?—No; there is not. [Paragraph 6 of questions submitted to Mr. McEnnis, and his answer (paragraph 13), were here read.]

217. In buying a share under ordinary circumstances, have you not to state the full amount paid for the share in the sale-note?—I think so; but I could not say positively.

218. Would it not be a breach of the Stamp Act if you did not?—Unless the Stamp Act is altered in that respect, it used to be a 2s. 6d. fee for the transfer of a miner's claim up to a certain amount. I cannot remember the exact stamp charges. Certainly there is no shilling. The shilling mentioned in the document is for consideration. That does not refer to stamps at all.

219. Would that suggest to your mind, from your experience on the goldfields, a mortgage, or some agreement behind?—I would not imagine for a moment that it meant a *bonâ fide* sale. It looks like a small sum paid for consideration, as is often done, to give a document a legal status in Court. [Certificate of registration to Mr. Seddon, No. 36067, put in.*] [Telegram, from Seddon to McEnnis, and reply; also telegram to Dennis Harman from Seddon, and answer read.]

J. McEnnis, Esq., Warden's Office, Kumara.

WHEN was Tail-race 36067 registered? Where did it commence and terminate? In transfer Robinson half share to Seddon, what consideration: is there reference to any agreement? If so, wire particulars. Transfer, Watson and party to promoters Tail-race 37073, what consideration mentioned?

Wellington, 2nd September, 1885.

R. J. SEDDON.

R. J. Seddon, Esq., M.H.R., Wellington.

36067 is the number. Certificate of transfer Robinson to R. J. Seddon half share in Tail-race 36031, registered 5th October, 1883. Commencing at double-area claim 23865, Larrikins, terminating ten feet from Giddon's tail-race at brow of terrace facing Teremakau. Sale-note has on it "subject to agreement dated 20th May, 1882." Don't know particulars, as agreement not registered. The consideration is one shilling. Transfer, Watson and party to promoters Tail-race 37073, consideration £3 3s.

Kumara, 2nd September, 1885.

J. McENNIS, Mining Engineer.

Dennis Harman, Esq., Mining Agent, Kumara.

As my agent, search books Warden's Office, Kumara. Ascertain has T. R. Connell searched said books within last months. Did he pay fee for said search? On what subject did he seek information? Ascertain if Watson and party applied for and registered in 1883 a tail-race commencing at their claim and terminating in direction Teremakau River. If so, send number of certificate, and description, also if certificate now in force. Personally have you, in open Court, and since April last, heard me inform Warden Giles that the promoters were acting solely for those using No. 1 Channel, and of your own knowledge are you not aware such is the fact? When you, Pearn, and Davidson wrote to Minister of Mines, 5th October last, asking for assistance towards construction of channel to relieve No. 1 Channel, on whose behalf was the application made? Was I personally, directly or indirectly, interested in such application?

Wellington, 1st September, 1885.

R. J. SEDDON.

R. J. Seddon, Esq., M.H.R., Wellington.

AUGUST 22 Mr. Connell searched register Warden's Court *re* Watson and party's claim tail-race and R. J. Seddon's interest therein, paid search-fee. Watson and party made Application No. 147, 1883, for tail-race. Granted Certificate 36031, 6th October, 1883. Length, 1,600 feet; height, 7 feet; width, 4 feet; commencing Watson and party's claim, Larrikins terminating. Tunnel-mouth south Teremakau River. Said Certificate 36031 not now in force, having been surrendered for cancellation by Watson and party; cancelled and filed in office by Mining Registrar on May 30, 1884. Believe I did hear you, in open Court, in May last, state the promoters were acting solely for purpose relieving parties using main channel. Of my own knowledge am aware promoters have no object in view than the relief of overcrowded Channel No. 1. When application to Minister of Mines, by Davidson, Pearn, and myself, for assistance construct channel to relieve No. 1, such application was made by the authority and on behalf of those using No. 1 Channel. You were not, as far as Committee and I am aware, personally interested in that application, nor do I believe you have been since, more than for public good. The latter statements can be verified by affidavits of members, of promoters, and most traders and miners here, and forwarded you if requested.

Kumara, 2nd September, 1885.

D. HARMAN.

220. *The Chairman.*] Assuming a right to a certain tail-race to have been registered and afterwards transferred, and another tail-race to be made by the transferee identical with the first tail-race as to part but differing as to another part, and not registered, would the whole of the right to such second tail-race be liable to be registered by reason of another registration, or only a part?—Only the part that differs from the first tail-race.

221. It would not necessarily be forfeited, but would be in the discretion of the Warden?—It would be liable to be forfeited.

222. *Mr. Hursthouse.*] When application is made to the Court for a right to construct a tail-race, is it necessary to send in plans and surveys of the proposed race?—It is not necessary.

223. Is it not necessary, before a certificate is issued by the Warden, that plans should be lodged with him?—No; only a description: commencing at such a point and terminating at such a point, and marked by pegs, as set forth in the regulations.

224. Marked by pegs without any magnetic survey?—It is not customary to have a survey at all.

225. Supposing the terminal pegs were left, and the intermediate pegs showing the course of the tail-race were altered, and this could be proved, would not that upset the whole application?—It would be a ground for application for forfeiture. Nothing is forfeited until the Court decrees it, and I may say it is very seldom a Court does so decree. It generally inflicts a penalty in lieu of forfeiture, unless it is a very bad case indeed.

226. *Hon. Mr. Stout.*] Suppose a tail-race is registered from A to B, and the half of that is constructed according to the certificate and the other half is not, and there is an application for cancellation, is there any such thing as allowing a certificate for part to stand? Did you ever

know of a case?—I cannot recollect for the moment. Any person might put in an application for the other part.

227. If the certificate is cancelled it is cancelled as a whole, and all the Court would do would be to issue a new certificate for the part retained?—Yes; there must be a cancellation of the whole, but the second certificate would still cover that part of the race included in the second application.

228. Supposing there was one certificate for a person to construct from A to B, and he constructs to C, though part runs along half the original race, would not the certificate be cancelled along the whole?—Yes; and the right would be lost unless a new certificate were issued.

229. *Mr. Hislop.*] Are there any sections in the Act dealing with forfeiture?—Yes; any claim under the Mines Act may be forfeited for breach of the regulations. Section 85 of "The Mines Act, 1877," expressly declares that any claim may be forfeited if the conditions upon which it was granted have not been strictly complied with. Part 17 of the regulations, made under the provisions of section 51, also prescribes the mode of enforcing forfeitures.

230. If there is a deviation, is not that a subject for application for alteration?—You may apply for alteration, if you think fit.

231. Must that be done before the construction?—Of course it must; you have no right there till you have made your application [interpretation clause read].

The words "ordinary claim" shall mean any mining claim in alluvial ground, except river-dredging, wet, extended prospecting, frontage, and sea-beach claims. "Ordinary quartz claims" shall mean all quartz claims except prospecting areas and prospecting quartz claims. "River or creek claims" shall mean all claims in the beds of rivers or permanent streams. "Dredging claims" shall mean claims in the beds of rivers or permanent streams that shall be taken up to be worked by dredging. "Wet claims" shall mean claims in flooded ground which cannot be worked without appliances for drainage, and defined as such by the Warden. The words "tail-race" shall mean a tail-race constructed for the purpose of drainage, or for the discharge of tailings.

A tail-race is a "claim" within the meaning of the Mines Act.

232. Do you consider that a certificate covers a right such as this unless it plainly agrees with the description sent in?—I cannot conceive it possible to be otherwise in any case, because the certificate is granted in accordance with the application.

233. Supposing a person makes a race which does not materially agree with the description, is he protected?—No; nor do I see how any officer could grant him a certificate for anything which differed from the application. The Registrar has no right to make the slightest variation from the terms of application. The applicant must make a new application altogether, or amend his application with the permission of the Warden.

234. *Captain Russell.*] Who is entitled to apply for the cancellation of a certificate?—Any holder of a miner's right.

235. In any part of the field?—Yes.

236. What does the word "field" mean?—It takes in the whole of the Middle Island.

237. Has he to show any interest in the channel that he would be about to use?—No; he simply says I want this ground to construct a channel.

238. But he need not show that he is going to make any use of it?—Suppose you held a claim which you were not working, and I desired to obtain possession of it, I put in first an application for the cancellation of your certificate. Then, if the certificate was cancelled, my application for the claim, which would accompany the application for cancellation, would be heard. If granted, I would have the certificate.

239. Supposing a case in which all the ground that could possibly be used for the sludge-channel was already occupied, could the certificate for this channel be cancelled except upon application to those persons who were directly interested?—No; you must show abandonment or disuse before you apply for forfeiture.

240. Then, if it were shown that the ground was being properly worked, we may assume a cancellation could not be applied for?—It could be applied for, but would not be granted.

241. *Hon. Mr. Stout.*] Suppose there is a goldfield or block of land, and the whole of the land is taken up by miners' rights or leases, or extended claims, and an application is made for a sludge-channel to drain some or all of these claims, and people go on and construct the sludge-channel, but do not construct it in terms of the certificate of registration but vary from it, can any one not interested in the block apply for the cancellation of that?—Yes; he might apply if he had a miner's right.

242. Can any one apply for a sludge-channel, through a block of land like that, who has no claim to be drained?—Yes; but his application would probably be refused, unless he could show that it was to be used.

243. He must show he would be benefited?—Yes.

244. *Captain Russell.*] Would the Warden be likely to entertain an application for cancellation?—It would be in the discretion of the Warden to grant or refuse.

245. *Mr. J. C. Buckland.*] If a party of men were registered in respect of a tail-race, and other men not interested applied for the part not traversed, would the other application be granted?—Not if the first party had registered it and were using or constructing it.

246. I understand you distinctly to say that no other tail-race would be granted running along the same course as one already constructed?—Certainly not.

247. *Hon. Mr. Stout.*] Suppose a person has a tail-race actually constructed, but holds no certificate over it, or that his construction differed from the certificate: supposing any one interfered with this, could he sue for damages?—He might sue, but I do not think he would get anything in the Warden's Court.

248. Before he could sue for damage for interference, he must prove his title, and, if his tail-race is not in accordance with the certificate, he has in the eyes of the law no title?—No title.

249. *Mr. J. C. Buckland.*] If a tail-race is constructed without proper application and without a certificate, could it in any sense be a public race?—No, nor a private one either. The person so constructing a race is a trespasser.

Mr. Seddon: I would here call the attention of the Committee to the fact that the contract with J. W. Martin for the construction of No. 2 Sludge-channel was entered into before Watson and party transferred Tail-race 37073 to the promoters. I would point out the discrepancy between Certificate for Tail-race 37073 and the answer to question No. 18 given by Mr. McEnnis. I would call attention to Mr. Wylde's plan C before the Committee, and I will refer the Committee also to the date on which Mr. Wylde made the survey (2nd October, 1884) of No. 2 Sludge-channel as stated on plan C. The survey of Sludge-channel No. 2 was made in October, 1884, and the registration of Tail-race 37073 took place on the 30th May, 1884. Plan A attached to the bond was drawn by John Gow, Esq., Government Race Manager, Kumara.

250. *The Chairman.*] There is one point on which the evidence is not clear to the Committee. We do not feel that we are entitled to ask you any question, and you may, of course, decline to give us any information, and leave us to find out anything on which the evidence is not clear. The point is this: Have you an interest in any claim that will drain into No. 2 Channel?—No interest in any claim. I am quite prepared to explain, should the Committee so desire, about that shilling transfer referred to in Mr. McEnnis's answer to query 13.

251. You have seen Mr. McEnnis's answer to No. 12?—Cullen's claim is miles away from No. 2. Whether No. 2 Channel is constructed or not constructed it does not benefit me one penny-piece.

APPENDIX.

Colony of New Zealand.—Goldfields.

District, Kumara. No. 29967. Registration fee, 1s.

CERTIFICATE of registration granted to George Watson, 29565, 16th July, 1881; Daniel Burn, 29625, 29th August, 1881; John Owens, 35768, 25th April, 1882; John Kirkman, 29629, 30th August, 1881; Thomas Robinson, 29628, 20th August, 1881; and Peter Drury, 29638, 30th August, 1881, for Tunnel Tail-race, commencing at Double-area Claim No. 23865, Ross Terrace, Larrikin's, terminating at Government Sludge-channel, at peg No. 61. Surface measurement: Length, about 560 feet; course, east by south; depth, 6 feet; width, 5 feet. Granted subject to agreement entered into with Manager of the Government Sludge-channel.

7th June, 1882.

J. McENNIS,
Receiver of Gold Revenue and Mining Registrar.

[Indorsement.]

Transfer No. 29981, 13th June, 1882, from Daniel Burn to John Stewart (full interest).—J. McENNIS, Mining Registrar.

Transfer No. 29983, 17th June, 1882, from Peter Drury to Robert Newton (full interest).—J. McENNIS, Mining Registrar.

Transfer No. 32631, 3rd October, 1882, from Robert Newton (full interest) to Andrew Stenhouse, sen.—J. McENNIS, Mining Registrar.

Colony of New Zealand.—Goldfields.

District, Kumara. No. 36067. Registration fee, 1s.

CERTIFICATE of registration granted to Richard John Seddon, 41946, 15th June, 1883, for transfer from Thomas Robinson of half his sixth share in Tunnel Tail-race No. 36031, situate at Larrikins. This transfer subject to agreement between the parties, and dated 20th May, 1882.

14th November, 1883.

J. McENNIS,
Receiver of Gold Revenue and Mining Registrar.

Colony of New Zealand.—Goldfields.

District, Kumara. No. 37073. Registration fee, 1s.

CERTIFICATE of registration granted to George Watson, 46184, 20th November, 1884; John Stewart, 41963, 27th June, 1883; John Kirkman, 42394, 21st August, 1883; John Owen, 42393, 13th September, 1883; Andrew Stenhouse, 46175, 19th November, 1883; R. J. Seddon, 41946, 15th June, 1883 (half interest); and Thomas Robinson, 46176, 19th October, 1883 (half share), for Tunnel Tail-race, commencing at north-west boundary of their extended claim, No. 37039, Ross Terrace, terminating at flat north of Dillman's, and about 200 feet east of Giddon and party's tail-race. Length, 1,600 feet; course, about north-east, passing through Giddon and party's claim at a level that will not affect their workings. Granted on condition that this party will not hold Giddon and party responsible for any damage the said Giddon and party may do to this tail-race in the ordinary working of their claim, and that Watson and party will be responsible for any damage they may do or hindrance in any way to Giddon and party.

30th May, 1884,

J. McENNIS,
Receiver of Gold Revenue and Mining Registrar.

[Indorsement.]

Transfer from George Watson, John Stewart, John Kirkman, John Owen, Andrew Stenhouse, and Thomas Robinson, to John S. Pearn, Michael Borlase, William Morris, Richard John Seddon, George Mansfield, Richard Rothwell, and Matthew Davidson (entire interest). See Certificate No. 43848, 4th May, 1885.—J. McENNIS, Mining Registrar.

Colony of New Zealand.—Goldfields.

District, Kumara. No. 43848. Registration fee, 1s.

CERTIFICATE of registration granted to John S. Pearn, 58022, 13th April, 1885; Michael Borlase, 53229, 13th October, 1884; William Morris, 58026, 8th April, 1885; Richard John Seddon, 47573, 19th May, 1884; George Mansfield, 53236, 27th October, 1884; Richard Rothwell, 52849, 2nd August, 1884; and Matthew Davidson, 58027, 20th March, 1885, for transfer from George Watson, John Stewart, John Kirkman, John Owen, Andrew Stenhouse, and Thomas Robinson, of all their right, title, and interest in Tunnel Tail-race No. 37073, situate at Ross Terrace.

J. McENNIS,

4th May, 1885.

Receiver of Gold Revenue and Mining Registrar.

Colony of New Zealand.—Goldfields.

District, Kumara. No. 43860. Registration fee, 1s.

CERTIFICATE of registration granted to J. S. Pearn, 58022, 13th April, 1885; R. J. Seddon, 53898, 19th March, 1885; R. Rothwell, 52849, 2nd August, 1884; G. Mansfield, 53236, 27th October, 1884; M. Borlase, 53229, 13th October, 1884; and William Morris, 58026, 8th April, 1885, for extension of Tunnel Tail-race No. 37073, commencing at a point 20 feet from present sludge-channel—but not to open into it without a further application—near peg No. 80 of sludge-channel, and as marked on plan of Tunnel Tail-race No. 37073 by Mr. H. J. Wylde, terminating at commencing-point of said Tunnel Tail-race, near north-west boundary of Watson and party's extended claim at Ross Terrace. Length, about 900 feet; depth, 8 feet; width, 6 feet; course, north-east, with slight curve north at that portion of race where it inclines towards the sludge-channel. This extension passes through Scanlan and party, Reid and party, Bane and party, and Borlase and party's claim.

J. McENNIS,

29th May, 1885.

Receiver of Gold Revenue and Mining Registrar.

[Declaration.]

I, George Watson, do solemnly and sincerely declare—(1) That, with others, I applied for and registered Tail-race No. 37073, situate in the Kumara Mining District; (2) That the commencing-point of No. 2 Sludge-channel is not at the same spot as that where I posted the application notice paper for Tail-race No. 37073; (3) That the commencing-point of Tail-race No. 37073 was and is now distant about 40 feet from the commencing-point of Sludge-channel No. 2, viz., the mouth or entrance of the Tail-race No. 37073, being on the upper side of a narrow gully, and the entrance to the Sludge-channel No. 2 on the lower or sea-side of same gully; (4) That the commencing-point of Tail-race No. 37073 was and is now on a higher level than that of Sludge-channel No. 2, the bottom of the tail-race being about 11 feet above the top of Sludge-channel No. 2 at those points, viz., where they commence; (5) That the grade of Tail-race No. 37073 was to be, at time of registration, 8 inches in 12 feet and was continued as such so far as that portion which was constructed by myself and party, and that such grade differs much from the grade of Sludge-channel No. 2; (6) That the course marked out by me for Tail-race No. 37073 is not the same upon which Sludge-channel No. 2 is being constructed; (7) That, to prevent complications arising between the promoters of No. 2 Channel and myself and party, we, for the nominal sum of three guineas, transferred to them Tail-race No. 37073. And I make this solemn declaration conscientiously believing it to be true, and by virtue of an Act of the General Assembly of New Zealand intituled "The Justices of the Peace Act, 1882."

GEORGE WATSON.

Made and subscribed at Kumara, in the Colony of New Zealand, this third day of September, in the year of our Lord one thousand eight hundred and eighty-five, before me—A. C. Campbell, J.P.

[Declaration.]

I, George Mansfield, do solemnly and sincerely declare—(1) That I have a personal knowledge of the situation of Tail-race No. 37073, held by Watson and party; (2) That I assisted Mr. H. J. Wylde to survey the line or site of Sludge-channel No. 2; (3) That the entrance to or commencing-point of Sludge-channel No. 2 is not at the same point as the entrance to or commencing-point of Tail-race No. 37073, the distance between those points being about 50 feet; (4) That the Tail-race No. 37073 commences at one side of a gully, and the Sludge-channel No. 2 on the other side of but lower down the same gully; (5) That the course of the Tail-race No. 37073 is not the same course upon which Sludge-channel No. 2 is now being constructed; (6) That the grade of the Sludge-channel No. 2 is about 2½ inches in 12 feet less than the grade of Tail-race No. 37073; (7) That, as portions of both the said tail-race and sludge-channel have been constructed, the one at a distance and separate from the other, they are not identical, and cannot be as one and the same. And I make this solemn declaration conscientiously believing it to be true, and by virtue of an Act of the General Assembly of New Zealand intituled "The Justices of the Peace Act, 1882."

GEORGE MANSFIELD.

Made and subscribed at Kumara, in the Colony of New Zealand, this third day of September, in the year of our Lord one thousand eight hundred and eighty-five, before me—A. C. Campbell, J.P.

[Declaration.]

I, George Mansfield, do solemnly and sincerely declare—(1) That I, as one of the promoters of Sludge-channel No. 2, have, in conjunction with the other promoters, acquired Tail-race No. 37073 from Watson and party in order to prevent future complications with that party; (2) That I nor the promoters do not claim to hold Sludge-channel No. 2 by the right or number of the said certificate or any other right, but that the registration of No. 2 Channel was and is held over until the work of its construction is completed, and arrangements made between the Government and those who are to use the said Sludge-channel No. 2. And I make this solemn declaration conscientiously believing it to be true, and by virtue of an Act of the General Assembly of New Zealand intituled "The Justices of the Peace Act, 1882."

GEORGE MANSFIELD.

Made and subscribed at Kumara, in the Colony of New Zealand, this third day of September, in the year of our Lord one thousand eight hundred and eighty-five, before me—A. C. Campbell, J.P.

[Declaration.]

I, John Sambell Pearn, do solemnly and sincerely declare—(1) That I, as one of the promoters of Sludge-channel No. 2, have, in conjunction with other promoters, acquired Tail-race No. 37073, or Watson and party's tail-race, in order to prevent future complications, in consequence of that party having the right to discharge tailings close to the entrance of Sludge-channel No. 2.; and that the promoters nor myself do not claim to hold Sludge-channel No. 2 by the certificate nor by any other right; and that the registration of Sludge-channel No. 2 was held over until the work of its construction is completed, and arrangements made between the Government and those who are to use the said channel. And I make this solemn declaration conscientiously believing it to be true, and by virtue of an Act of the General Assembly of New Zealand intituled "The Justices of the Peace Act, 1882."

JOHN SAMBELL PEARN.

Made and subscribed at Kumara, in the Colony of New Zealand, this third day of September, in the year of our Lord one thousand eight hundred and eighty-five, before me—A. C. Campbell, J.P.

[Declaration.]

I, Matthew Davidson, do solemnly and sincerely declare—(1) That I, as one of the promoters of Sludge-channel No. 2, have, in conjunction with other promoters, acquired Tail-race No. 37073 from Watson and party, in order to prevent future complications, in consequence of that party having the right to discharge tailings close to the entrance of Sludge-channel No. 2; (2) That the promoters nor myself do not claim to hold Sludge-channel No. 2 by the certificate or right of said tail-race, nor by any other right, and that the registration of Sludge-channel No. 2 was held over until the work of its construction is completed and arrangements made between the Government and those who are to use the said channel. And I make this solemn declaration conscientiously believing it to be true, and by virtue of an Act of the General Assembly of New Zealand intituled "The Justices of the Peace Act, 1882."

MATTHEW DAVIDSON.

Made and subscribed at Kumara, in the Colony of New Zealand, this third day of September, in the year of our Lord one thousand eight hundred and eighty-five, before me—A. C. Campbell, J.P.