

It will be seen from the above table that the value of sales of water for last year was £1612 11s. 3d., as against £1675 19s. 4d. for the previous year. The actual cash received for sales of water during the past year was £1,793 16s. 4d., as against £1,688 3s. 2d. for the year previous. It is, however, to be remembered that although the actual amount of cash received constitutes the receipts, yet, included in those receipts, there is always a certain amount of money that has been deposited in payment for water not supplied at the time the money was lodged, or in other words the practice of paying for water in advance necessitates there being always a certain amount of money in hand, which cannot be placed to the credit of the race until the water is supplied.

In dealing, therefore, with the working results, the actual sales of water is the real income, and should be treated as such, seeing that the water is paid for in advance. On this basis, therefore, the income has been £1,612 11s. 3d., and the expenditure on maintenance during last year £1,027 17s. 11d. as against £1,116 10s. for the year previous, leaving the net profit on the working of the water-race last year at £584 13s. 4d., or £7 more than the year previous.

The value of free water given to open out claims during the year was £19 16s., as against £22 16s. 8d. during the previous year; and the average number of miners employed whose claims have been worked with water from the race has been 98. The approximate amount of gold these miners have obtained during the year has been 2,960oz., representing a value of £11,248. This will make the average weekly earnings of the miners, after deducting the value of the sales of water, £1 16s. 3d. per man, or only 8d. per week less than the previous year. Taking the actual profits on the working of the race last year, it has paid about $\frac{1}{2}$ per cent. on the cost of construction, which has been £118,762 11s. 8d.

KUMARA WATER-RACE, WESTLAND.

This is the most important portion of the Waimea-Kumara Water-supply, and the branch which commands the largest amount of payable auriferous ground. The reservoir, tunnel, and main-ditch are all in good order, and the branch-flumes are all in a very fair state of repair. Portion of the ground on which the main-ditching is constructed is known to be auriferous; indeed, deviations of the race have been already made from time to time, and iron-piping substituted in lieu of ditching and fluming, to admit of the ground being washed away. As the claims get worked out, the same thing will take place again. Applications have lately been made by the holders of two mining claims, viz., Pascoe and Party and Palmer and Party, to be allowed to work the ground on which the main-race is constructed for some 21 chains in length. The amount of ground actually occupied by the race is very small; but it has to be borne in mind that the depth of the ground here is about 60ft., so that parties working on either side cannot come within at least $1\frac{1}{2}$ chains of the race, in order to ensure its safety; and when the ground is rich it pays the miners to construct deviations, in order to work the ground on which the race is made.

There are a number of mining-claims at work at Nardoo Flat, which promise to pay fairly well for working, and it is a place where there is a large area of ground, should the whole of it prove auriferous. The main branch of the Kumara supply would have to be extended for about forty-two chains to command this ground, which is estimated to cost £800. The miners themselves are willing to undertake to construct the extension, if the value of construction is afterwards allowed them in water, which is a very reasonable proposal. The area of auriferous ground in the neighbourhood of Kumara that the water-supply commands will take many years to work, and give employment to a large number of miners.

The following table shows the results of working this water-race during the past year:—

Month.	Sales of Water.	Cash received for Sales of Water.	Expenditure.	Amount of Outstanding Moneys at the End of each Month.	Number of Men employed.	Approximate Amount of Gold obtained.	Value of Gold.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.		Oz.	£ s. d.
1887.							
April ..	535 5 10	790 8 6	92 12 0	53 16 5	193	954	3,625 4 0
May ..	679 7 8	678 2 6	78 16 3	53 15 1	187	923	3,507 8 0
June ..	167 10 10	205 15 2	72 10 4	47 2 4	185	259	984 4 0
July ..	656 4 7	611 6 8	95 19 8	62 3 11	184	1,003	3,811 8 0
August ..	684 16 1	718 16 0	88 9 6	63 16 1	184	1,055	4,009 0 0
September ..	694 5 0	625 17 5	63 15 7	54 6 0	187	1,004	3,815 4 0
October ..	591 12 1	620 10 8	84 18 10	70 4 4	187	903	3,431 8 0
November ..	710 0 0	629 3 0	70 8 8	60 2 8	187	961	3,651 16 0
December ..	525 10 10	808 14 6	89 17 1	38 9 11	185	997	3,788 12 0
1888.							
January ..	519 15 5	216 1 10	66 12 6	70 14 8	181	724	2,751 4 0
February ..	670 17 6	808 6 8	89 11 5	48 16 2	181	821	3,119 16 0
March ..	734 4 5	730 5 3	89 0 2	75 14 1	181	946	3,594 16 0
Totals ..	7,169 10 3	7,443 8 2	982 12 0	..	2,222*	10,550	40,090 0 0

* Average 185.

NOTE.—Average weekly earnings of miners, after deducting value of sales of water, £3 8s. 5d. per man.

This shows the value of the sales of water for the last year to be £7,169 10s. 3d., as against £6,470 14s. 4d. of the year previous, being an increase in the value of the sales of water of £698 15s. 11d. This increase is due to the mining-claims being worked more regularly since the construction of No. 2 Sludge-channel, and to the plentiful supply of water last year, owing to the wet season. The expenditure on maintenance for the last year has been £982 12s., as against