

incomes from their claims. On the other hand many, those especially without an adequate water supply, are doing little or nothing. I believe 9,000oz. to be a fair approximate estimate of the yield of gold for the past year, which, with a mining population of 550 (as per return herewith), would give an average of about £62 per head.

At Longwood, on the other side of the range, there are barely twenty miners at work. As I observed in a former report, it is a matter of surprise that this district, from which rich prospects and coarse gold have been so often obtained in past years, should be still lying unproved, waiting for the enterprise and resource that sooner or later will lead to its development.

At Merivale, at the north end of the Longwood, there are still some twenty persons employed in mining, all of whom, I understand, are making good wages; and I have no doubt the number of miners here will be largely increased as soon as the harvest is over. The gold here is coarse, like that obtained at Longwood, while that at Roundhill and Orepuki, on the other side of the range, is very fine.

I have, &c.,

HENRY McCULLOCH, Warden.

The Under-Secretary, Mines Department, Wellington.

WATER-RACES.

No. 19.

Mr. J. DAND, Manager, Waimea-Kumara Water-race and Sludge-channel, to the UNDER-SECRETARY of Mines.

SIR,—

Kumara, 5th April, 1888.

I have the honour to report on the working of the Waimea-Kumara Water-races and Sludge-channel for the year ending 31st March, 1888, as follows:—

Waimea Race.—The sales of water from this race for the year amount to £1,612 11s. 3d., and the expenditure on maintenance and contingencies for the same period to £1,027 17s. 11d., leaving a credit balance of £584 13s. 4d. on the year's transactions. The average number of miners supplied with water during the year was ninety-six, and the approximate quantity of gold obtained by them was 2,960oz., of the value of £11,248. For some time past the yield of gold from several claims has only been sufficient to pay small wages after paying working-expenses; but, by continued perseverance in the working of them, the shareholders have yet hopes of being better rewarded. The race has been kept in good repair during the year.

Kumara Race.—The sales of water from this race for the year amount to £7,169 10s. 3d., and the expenditure on maintenance and contingencies to £982 11s. 7d., leaving a credit balance of £6,186 18s. 8d. Although the working of the race for the past year has been attended with favourable results, I may here mention that the prevalent dry weather experienced throughout this district during the first six months caused a scarcity of water for mining purposes to be very much felt. Both dams being empty at one time for five weeks, the sales of water were affected to a considerable extent, otherwise the profits would have been largely increased. The average number of miners supplied with water during the year was 185, and the approximate quantity of gold obtained by them was 10,550oz., of the value of £40,090. Several claims that are being worked have continued poor so far, having barely paid wages, while others have paid well from the time they were opened up. Old claims have been worked out during the year; but the demand for water is still more than equal to the supply. The race and dams are in good order.

Sludge-channel.—The channel-fees for the year amount to £1,075 6s. 7d., and the value of gold-dust obtained from the channel to £724 13s. 6d., making the total earnings £1,800 0s. 1d. The expenditure on maintenance and contingencies amounts to £4,260 12s. 4d., showing a debit balance of £2,460 12s. 3d.; the cost of working the channel for the past year being £1,696 19s. 1d. less than the year previous, and the debit balance on the year's transactions £1,234 16s. 6d. less than last. The same number of parties are using the channel as at the beginning of the year, viz., eighteen, and the same class of paving is still being used.

Tailing-site.—Several times during the year the tailing-site presented the appearance of having been filled up to such an extent that it was thought sluicing into the channel would have to be stopped; but on each occasion a fresh of sufficient magnitude occurred in the river in time to clear off the accumulated tailings that had been discharged from the channel and prevent the necessity of any stoppage taking place.

I have, &c.,

JAMES DAND,

The Under-Secretary, Mines Department, Wellington.

Manager, Water-races.

No. 20.

Mr. J. Gow, Manager, Nelson Creek Water-race, to the UNDER-SECRETARY of MINES.

SIR,—

Nelson Creek Water-race, Hatter's Terrace, 4th April, 1888.

I have the honour to forward the following report on the Nelson Creek Water-race, and the mining industry in the locality for the year ending 31st March, 1888.

Some of the claims, which have contributed a steady, though small, revenue to the race for some years past, are being gradually reduced to a field of clean washed stones and uprooted trees; and, as a matter of course, the quantity of known payable ground is rapidly getting less every year. Some of the old-race customers, however, who are comfortably settled on the field, and who may have worked-out one piece of ground, immediately try again and again till they find another that