lode, on assay proved to contain 31 per cent. of copper. If the whole of the lode material be of this quality this is the most valuable lode of copper-ore that has yet been discovered in New Zealand. Prospecting operations were carried on to some extent at Maharahara last year, but it is questionable if ore of a payable character for working has yet been discovered.

MANGANESE.

There are large deposits of manganese in different portions of the colony, but unless it is found close alongside deep water, where vessels can load, the present value of the ore will not admit of it being worked at a profit. A valuable deposit of carbonate of manganese was said to be discovered some years ago near Paraparaumu, in the Wellington District, but no steps have yet been taken to work it. The manganese workings last year were confined to Waiheke Island, Parua Bay, and Mangapai. The quantity exported was 1,153 tons, having a value of £2,634.

KAURI-GUM.

The large quantity of kauri-gum that has been obtained from the northern portion of the Auckland District would almost lead those not having a knowledge of New Zealand to think that the supply was almost inexhaustible, but it is only a question of time when this article will become a scarce commodity. So far, year after year has passed by—the gumfields having been worked for the last thirty-nine years—and each year the quantity produced, and value, has slightly increased. Last year 8,388 tons of gum were exported, having a value of £437,056, which is equal to £52 4s. per ton; while the year previous the quantity exported was 7,438 tons, representing a value of £378,563, or £50 18s. per ton. The total quantity of kauri-gum produced during the last thirty-nine years amounts to 143,018½ tons, having a value of £5,831,743, which gives an average value of £40 14s. per ton. With such an industry as this, confined to a comparatively small portion of the colony, it is bound to be a great assistance to the struggling settlers who have taken up land in the locality of the gum-fields, as they can always find profitable employment at gum-digging when they are not fully employed on their land.

ROADS AND TRACKS.

The most essential work to promote the mining industry and develop the mineral wealth is the construction of roads and tracks. These are absolutely necessary, in order to open up the country and afford facilities to have the mineral portions of it systematically prospected. The northern portion of the Auckland District, as well as the southern portion of Westland and Otago, are almost entirely destitute of either roads or tracks, and the whole of these portions of the colony are said to be rich in minerals. The expenditure on works of this character last year amounted to £10,223, of which £8,502 was given in direct grants, and £1,721 as subsidies to local bodies; and the total liabilities on these works at the end of March last amounted to £17,123. The total expenditure on roads and tracks within mining districts during the nine years that votes for this purpose have been under the control of the Minister having charge of the department has been £178,909, to which must be added £49,432 paid by local bodies.

WATER-RACES.

The water-races managed and directly controlled by the Government last year were the Waimea, Kumara, and the Nelson Creek, the latter being only for four months. The total receipts for sales of water amounted to £7,780, and the expenditure on maintenance £3,066, which left a profit on the working of £4,714. In regard to the Nelson Creek Water-race, it was deemed desirable to lease it at a peppercorn rent, as the receipts from the sales of water for the last two years and four months it was directly controlled by the department was £1,313, while the expenditure on maintenance for the same period was £2,150, leaving a loss on the working of £837; and, as a number of the bridges and flumes were getting into a decayed state, and the auriferous ground that the race as at present constructed commands getting yearly considerably less, the Government did not feel justified in maintaining the race at a direct loss.

In addition to this water-race the Mount Ida Race is managed by a Trust on behalf of the Government, but, although it has been worked by the Trust for the last fourteen years, the receipts from the sales of water have never covered the cost of maintenance; votes have to be continually taken for the purpose of keeping it in a state of repair. The total receipts