

therefore determined to ask the House last session for an increased vote under these headings. Some of the works have been carried out on the co-operative system, but the majority have been constructed under the supervision of the County Councils and other local bodies in whose districts they are situated.

The total expenditure by the department during the last fifteen years on roads and tracks for the development of the mining industry amounts to £205,553 5s. 5d. in direct grants and £75,916 13s. 9d. in subsidies to local bodies, out of which £30,720 12s. 7d. and £1,759 6s. 5d. respectively was expended during the year.

WATER-RACES AND CONSERVATION.

The conservation of water by constructing reservoirs to provide storage for the rainfall, and water the result of melting snow, in many of the watersheds throughout the Middle Island, and construction of water-races to give an increased supply for working the alluvial drifts, are matters of great importance. In order to maintain a population on the alluvial fields water in sufficient quantities to carry on hydraulic sluicing is required, and with this in view the Government has appointed an officer to inspect the various localities and to prepare a report on the question of water-supply and conservation throughout the colony. The provision made for subsidising private water-races to the extent of one-third of the cost still exists. In connection with the scheme for the general conservation of the waters of the colony it may be noted that in order to safeguard the interests of the public generally, and to preclude the possibility of any injurious monopolies, the attention of Wardens has been directed to the inadvisability of granting extensive water rights and privileges without the imposition of such conditions as their discretion may suggest and which they have already statutory power to impose. To that end a circular has been issued suggesting such conditions as experience has shown to be necessary in respect to the granting both of reservoirs and water-races. The subsidy authorised for the Roaring Meg Creek to Healy's Gully water-race, on the north side of the Grey River, has been taken advantage of, and £478 16s. 5d. has been paid on that account.

The race from Randall Creek to Napoleon Hill, on which a subsidy was given for the cost of survey, has not yet been constructed, but it is understood the work will be carried out by an English syndicate.

The water-races constructed by the Government, and worked directly under the control of the Mines Department, are the Waimea-Kumara and Mount Ida Water-races. The gross value of the sales of water from the Waimea-Kumara Water-race last year amounted to £4,322, while the expenditure on maintenance was £2,481; leaving a net profit on the workings of £1,840. The value of the sales of water from the Mount Ida, including the Blackstone Hill Race, amounted to £1,449, while the expenditure on maintenance was £1,322. This leaves a direct profit of £127 on the working of these races during the last year.

PROSPECTING.

In the prosecution of prospecting for gold and minerals assistance was, during the year, extended to the miners, chiefly through the medium of the County Councils and of the Miners' Associations. The following amounts were paid as subsidies towards prospecting in the different counties, viz.: Manukau, £52 2s. 6d.; Bay of Islands, £103 3s.; Coromandel, £121 18s.; Tauranga, £35; Buller, £98 4s. 6d.; Grey, £47 8s.; Inangahua, £40 4s. 3d.; Westland, £683 3s. 1d.; Vincent, £107 9s. 9d.; Wallace, £24; Southland, £7; Bruce, £79 13s. 9d.; Tuapeka, £36 2s. 3d.; Selwyn, £15; Sounds, £39; Lake, £30; and Marlborough, £13 7s. 6d. A subsidy of £25,000 was granted to the Thames-Hauraki Goldfields (Limited) for testing the deep levels at the Thames, out of which £15,348 11s. 7d. has been paid. The money is being expended in sinking the Queen of Beauty shaft to a depth of 2,000 ft. and erecting adequate pumping machinery to drain the deep levels to the seaward of the Moanataiari slide.

At Coromandel the Kapanga shaft is still being continued to test the deep levels, and a payment of £259, on account of the subsidy of £400 promised towards the cost of continuing the shaft below the 800 ft. level, has been made since last statement.