

work and yields the partners do not feel despondent. There are those who prophesy that a bright future lies before West Waiau. If patience and perseverance will bring prosperity about, Messrs. Shaw, Hinchy, and party may yet have success crown their efforts.

Referring to dredging on the Waiau River, considerable money has been invested in dredging claims; but up to the present time little or no success has resulted. In fact, judging by the number of claims surrendered during the past year, it would appear that a want of confidence in the Waiau now prevails. Possibly in the near future some new method of prospecting may be developed and gold yet found in abundance.

PRESERVATION.

During the past year various claims have revived, although we do not hear of dividends having been paid; yet there are those who find it pays them to continue operations. Reefs have in the past proved themselves to be very faulty in this part of my district.

I have, &c.,

S. E. MCCARTHY, Warden.

The Under-Secretary, Mines Department, Wellington.

WATER-RACES.

Mr. ALEXANDER AITKEN, Manager, Government Water-races, to the UNDER-SECRETARY for MINES, Wellington.

SIR,—

Kumara, May, 1902.

I have the honour to forward the following report on the working of the Waimea-Kumara water-races for the financial year ended the 31st March, 1902:—

WAIMEA RACE.

The total sales of water from this race for the year ended the 31st March, 1902, amounted to £729 6s. 3d., and the expenditure for maintenance and repairs during the same period was £838 18s. 7d., showing a debit balance of £109 12s. 4d. on the year's transactions.

The average number of miners supplied with water for sluicing from the race was 28·75, and the approximate quantity of gold obtained by them was 2,150 oz., the value of which was £8,385.

The sales of water are £169 5s. 10d. greater than during the preceding year, and the quantity of gold obtained was 433 oz. more, having a value of £1,688 14s.

The number of miners employed in sluicing with water from the race was about two less than during the preceding year.

The expenditure on maintenance and repairs during the year was £44 12s. 4d. greater than during the preceding year, but that is more than compensated for by the increase of £169 5s. 10d. in sales of water.

Water was plentiful during the year. The miners had very few stoppages; they have been perfectly satisfied in respect to the supply. There is still a great extent of ground unworked in the district, which, although poor, will all be sluiced, as the miners of the place are satisfied to work ground that was not considered payable some years ago. The earnings of the miners using water from the race must have been much better during the past year than formerly, and all of them seem satisfied with the results of their washings.

At the request of the Waimea Hydraulic Sluicing Company (Limited) considerable repairs were effected on the race during the year for the purpose of increasing its carrying-capacity, and the race is now not only carrying a much larger quantity of water, but is throughout in a good state of repair.

The Waimea Hydraulic Sluicing Company has made a start to work the ground held by it; but, like in all new undertakings, unforeseen difficulties have considerably retarded the progress of the company. The plant placed on the ground by the company is a good one, and is thoroughly up to date. The cost must have exceeded £3,000. Should the operations of the company fail to be a financial success it will be no fault of the plant, as everything in connection with it works in a most satisfactory manner.

The following tabulated statement shows the receipts and cost of maintenance of the Waimea Race for the year ended the 31st March, 1902, together with the approximate quantity and value of gold obtained by parties using water from the race:—

Month.	Sales of Water.	Cash received for Sales of Water.	Expenditure.	Outstanding Moneys at the End of each Month.	Number of Men employed.	Approximate Quantity of Gold obtained.	Value of Gold obtained.
1901.	£ s. d.	£ s. d.	£ s. d.	£ s. d.		Oz.	£ s. d.
April	52 5 5	54 0 9	73 7 4	23 10 5	29	156	608 8 0
May	71 18 9	70 9 3	61 6 0	23 10 6	23	216	842 8 0
June	60 3 4	59 19 6	54 9 2	23 11 10	26	180	702 0 0
July	54 19 2	54 19 9	69 14 2	23 11 10	27	165	643 10 0
August	62 15 0	62 4 0	55 19 2	23 13 0	30	189	737 2 0
September	49 17 6	49 13 4	67 11 8	23 13 0	28	150	585 0 0
October	58 14 7	58 17 6	82 1 8	23 3 0	36	177	690 6 0
November	56 13 4	44 6 9	69 19 2	32 10 10	27	171	666 18 0
December	28 4 3	39 5 7	68 14 10	23 0 6	30	87	339 6 0
1902.							
January	47 15 10	43 15 10	64 4 2	25 15 6	24	144	561 12 0
February	91 10 10	84 2 1	85 1 6	33 9 3	29	230	897 0 0
March	94 8 3	89 16 4	86 9 9	37 19 11	36	285	1,111 10 0
Totals	729 6 3	711 10 8	838 18 7	..	28·75 (average)	2,150	8,385 0 0