

The demand for these drills, which are lent free of charge, has not been so great as in previous years, due, no doubt, to the difficulty in obtaining capital for mining ventures at the present time.

Only one of the three Keystone placer drills has been in commission—viz., the No. 1 plant—which has been operated for the Round Hill Gold-mining Company at Waikaia, Southland.

A Schram-Harker diamond drill has been used very successfully at the Liverpool State Colliery, six holes being drilled into the Morgan seam of bituminous coal of superior quality, free from bands, and averaging 17 ft. in thickness. Within the area drilled 130 acres of coal has been proved, containing approximately 3,500,000 tons. Further exploration and drilling now being carried out will probably increase the known estimate of this coal reserve.

(5.) GOVERNMENT WATER-RACES.

The Waimea-Kumara and Mount Ida Water-races, which render possible hydraulic mining in the Kumara district, Westland, and the Naseby district, Central Otago, have supplied 105 miners with water for sluicing during 1914, by which they obtained gold to the value of about £25,675. For the year ended the 31st March, 1915, the receipts for water sold from the combined races was £3,493, the expenditure in upkeep and supervision during the same period being £3,782, as compared with £3,305 and £3,215 respectively during the previous financial year.

A new branch of the Waimea Water-race, 140 chains in length, from Macpherson's Creek to Kawhaka Valley, has been constructed to increase the water-supply.

In proximity to the branch race to Argus Terrace from the Erin-go-Bragh main race two or three successful claims have been developed.

The recently constructed and costly extension of the Kumara Water-race by siphon, two miles in length, across the valley of the River Taramakau continues to be badly supported, only one claim being now worked. The claimholders, after receiving the usual quantity of free water granted to new customers, have generally ceased operations, after very little work has been done or expenditure incurred.

VIII. SCHOOLS OF MINES.

At the last Government examinations the following students won scholarships (value £50 per annum, with free class fees tenable for three years at the Otago University School of Mines)—viz., Messrs. H. A. Ellis, of the Waihi School, and F. Smale, of the Karangahake School.

The following is a summary of the results of the Government examinations at the schools of mines during 1914 by all students:—

Position.	Locality of School of Mines.	Average Number of Marks awarded per Paper submitted.	Number of Students examined.	Number of Papers submitted.	Total Marks awarded.
		Per Cent.			
1	Waihi	61.36	18	44	2,700
2	Karangahake ..	57.70	13	34	1,962
3	Westport (including Ngakawau and Denniston)	48.24	15	24	1,158
4	Reefton (including Waituta)	47.37	13	21	995
5	Thames	46.53	21	26	1,210
6	Coromandel	36.42	12	19	692
	Totals	51.89	92	168	8,717

The subjects examined upon included several that were common to other occupations in addition to mining. In the subject of metal-mining only one paper was received, and for coal-mining only five papers; with such a poor result it is doubtful whether these schools justify their existence.