By doing this work it enables the race at this point to carry about 4 heads extra water, and thus saves drawing a like quantity from the Eweburn reservoir, when water is available in the Idaburn Creek. These works were to a great extent the cause of the increase in expenditure for the year.

During the year, on account of the increased demand for water in Spec Gully, I built a new storage-dam on a terrace on the west side of Spec Gully, and thus enabled all parties to work full time when water was plentiful. During the year I also re-formed the race at a point on the east side of Coalpit Gully, and removed therefrom a line of pipes, and relaid them across Main Gully, thus doing away with the old wooden flume, which was in an advanced state of decay; and it also enables the race at both places to carry extra water.

During the year the main race was very free from mishaps, only three small breaks occurring, and a burst in one of the pipes at the Wedderburn siphon. Portion of the embankment of Spec dam slipped away on two occasions, and I also had to strengthen it in two other places. There were also

three breaks in the Spec branch races.

In the spring I found it necessary to put two new sets of timber in the Eweburn tunnel, and during the year I had to replace several old gauge-boxes with new ones, also renow 36 ft. of flume in Mullholland's gully which was blown down during a heavy gale, and repair a bridge over the main race on a public road.

The race at present is in good order, and the demand for water is quite equal to the supply.