

Extensive use has been made during the year of the Government prospecting-drills which are lent to hirers free of charge other than wages and maintenance. The result of boring in most cases was highly satisfactory, and has well warranted this class of State aid to mining. An aggregate of 12,366 ft. was drilled in 246 holes, a summary of which is as follows:—

Number of Holes drilled.	Mineral searched for.	Type of Drill used.	Cost per Foot, including Transport.	Aggregate Depth attained.	Results.
11	Coal ..	Diamond ..	$\left\{ \begin{array}{l} \text{s. d.} \\ 4 \quad 3 \\ \text{to} \\ 5 \quad 11 \end{array} \right\}$	3,105	Very good; workable area, Waikato coal-field.
11		Percussive ..	..	1,377	Very good; workable area, State Colliery Reserve, Point Elizabeth.
1	Water ..	Diamond ..	$\left\{ \begin{array}{l} 13 \quad 4 \\ 3 \quad 11 \\ \text{to} \\ 7 \quad 3 \\ 5 \quad 6 \end{array} \right\}$	350	Negative.
17	Oil-shale ..	Keystone ..	..	1,238	Partially successful at Wakaia.
206	Alluvial gold	Keystone ..	..	6,296	One of the three localities bored proved profitable ground.
246	..	..	..	12,366	..

(3.) SUBSIDIZED ROADS ON GOLDFIELDS.

The following schedule shows the amounts expended by subsidies and direct grants out of the Public Works Fund, vote "Roads on Goldfields," in the different counties, &c., during the year ended 31st March, 1919:—

	Direct Grants.			Subsidies.		
	£	s.	d.	£	s.	d.
Coromandel County	200	0	0	..	..	..
Thames County	445	15	6	500	0	0
Ohinemuri County	305	10	6	..	..	..
Pelorus Road District	60	0	0	..	..	..
Collingwood County	144	0	0	45	0	0
Buller County	636	1	0	..	..	..
Inangahua County	437	12	0	..	..	..
Westland County	32	8	8	253	1	4
Grey County	447	14	0	..	..	..
Maniototo County	75	18	0	..	..	..
Lake County	402	7	2	..	..	..
Wallace County	150	0	0	..	..	..
Taieri County	50	0	0	..	..	..
Totals	£3,387	6	10	£798	1	4

(4.) GOVERNMENT WATER-RACES.

The Waimea-Kumara and Mount Ida water-races, which render possible mining in the Kumara district, Westland, and the Naseby district, Central Otago, have during the year ended 31st March, 1919, supplied claims employing thirty-five miners with water for sluicing, by which gold to the approximate value of £8,481 was obtained. The cash received for water sold amounted to £1,583, the expenditure on the upkeep of the races being £3,350. From the foregoing it will be seen that the expenditure on upkeep exceeded the cash received for sales of water by £1,767; no depreciation on the capital expenditure of about a quarter of a million sterling being provided for. The loss on the races during the year represents £50 per miner employed, and 20 per cent. of the total value of gold won.

VIII. SCHOOLS OF MINES.

The following table shows the expenditure by the Government on schools of mines during 1918-19:—

	£	s.	d.
Subsidies towards erection and maintenance	1,792	13	0
Salaries of teachers, travelling-expenses, &c.	2,506	13	2
Total	£4,299	6	2

Owing to the epidemic during the latter part of 1918 the annual Government examination of students attending the schools of mines was not held until the early part of 1919. Very few students presented themselves for examination on mining subjects.

I have, &c.,

FRANK REED,

Inspecting Engineer of Mines.