

(2) GOVERNMENT PROSPECTING DRILLS.

The following table gives details of the drilling done and the results obtained for twelve months ended 31st December, 1926 :—

Drill Superintendents : W. H. Warburton, E. A. Wilson, D. Blackadder, R. Pengally, and W. Hughes.
Drills used : Schram-Harker diamond, Keystone and placer drills.

Number of Holes drilled.	Total Depth, in Feet.	Diameter of Hole.	Mineral sought.	Character of Rocks drilled through.	To whom lent.	Cost per Foot of Drilling.	Cost per Foot of Transport.	Cost per Foot of Carbon's Wear.	Results.
	Ft.	In.				s. d.	s. d.	s. d.	
2	98	3	Coal	Gravel. . .	D. Blackadder	17 4	0 7	..	Satisfactory.
1	518	2 ³ / ₈	„	Sandstones, mud-stone, shales, and grits	Hunter and party	7 5	2 0	1 2	No workable coal.
1	300	1 ¹ / ₄	„	Shaly mudstones and sandstones	Hillside Co - operative party	5 4 ¹ / ₂	2 10	0 4 ¹ / ₂	Four small coal-seams located.
2	1,184	3 & 2 ³ / ₈	„	Mudstones, sandstone conglomerates and shales	State Coal-mines, Rapahoe	3 2	4 7	1 8	Unsatisfactory.
4†	96	4 ¹ / ₂	Gold	Shingle, silt, &c.	R. M. Aitken ..	†	†	..	„
19	966	6	„	Graveldrift ..	Clutha Development, Ltd.	6 8	..	..	Satisfactory.
15	564	6	*	Shingle, sand, clay, &c.	Public Works Department, Kurorow	82 11	6 1	..	..
	3,726								

* Testing dam-sites. † In addition, two further holes were drilled but were not bottomed. ‡ Hiner unable to supply accurate costs.

(3) SUBSIDIZED ROADS ON GOLDFIELDS.

The expenditure in the form of subsidies and direct grants upon roads on goldfields amounted to £3,612, as compared with £6,033 during the previous year.

(4) GOVERNMENT WATER-RACES.

The Waimea-Kumara water-races, constructed by the Government for the purpose of assisting alluvial gold-mining in the district of Kumara (Westland), showed a loss for the year ended 31st March, 1927, of £135 19s. 10d. Water was supplied to claims employing in all an average of 2 persons, and gold to the value of £274 15s. was obtained.

The following is a statement showing the cash received by the Government for water sold, and the expenditure on the upkeep of the races, together with the average number of miners supplied with water, and the approximate quantity and value of gold received for the year ended 31st March, 1927 :—

—	Receipts. (Sales of Water.)	Expenditure.	Debit Balance.	Average Number of Miners supplied with Water.	Approximate Quantity and Value of Gold obtained.		
	£ s. d.	£ s. d.	£ s. d.		Oz.	£ s. d.	
Waimea-Kumara Water-races ..	1,129 10 0*	1,265 9 10	135 19 10	2	70	274 15 0	

* Including royalty on timber, &c.

The amount outstanding on the Waimea-Kumara water-races on the 31st March, 1927, was £654 2s. 2d., a decrease of £279 0s. 1d. on the previous year.

(5) SCHOOL OF MINES.

The expenditure on schools of mines for the year ended the 31st March, 1927, was £3,885 16s. 5d., against £4,004 during the previous year. This included a grant of £750 to the University of Otago for the Otago School of Mines.

The schools of mines continue to do useful and necessary work ; but at the schools on the gold-fields the students who attend the classes are mostly from industries other than mining, so that these schools are technical schools rather than schools of mines.

I desire to acknowledge the efficient help and co-operation which I have received from the Inspectors during the past year.

I have, &c.,
J. A. C. BAYNE,
Inspecting Engineer of Mines.