

STATE AID TO MINING.

(a) MINES DEPARTMENT.

As in previous years, considerable use was made of the Government prospecting drills. They were hired by sixteen parties, and a total of 12,717 ft. was drilled.

The five alluvial drills manufactured in New Zealand last year have been in constant use and have given good service.

An alluvial drill, especially designed by the Department's Drill Superintendent for deep-lead boring, is being constructed, and will fill a long-felt want and enable testing of areas to be undertaken which is beyond the capacity of the present drills.

The cost of the drill is being met by the Unemployment Board.

The sum of £8,712 was voted for expenditure by way of subsidies for prospecting. The balance of unexpended authorities at the 31st March, 1934, and those issued during the year, less cancellations, amounted to £6,047 6s. 6d. Of this amount, £3,786 12s. 8d. was expended by way of actual subsidies during the year, leaving a balance of £2,260 13s. 10d. authorized but not spent at the 31st March, 1935. The number of men given employment through the subsidies granted by the Mines Department was 129.

In addition, the Department found the sum of £88 19s. 3d. towards the cost of supervising prospectors subsidized from the Unemployment Fund.

Provision totalling £1,610, including £1,410 in the Public Works Fund, was made for expenditure by way of direct grants and subsidies for roads and tracks. The balance of the unexpended authorities at the 31st March, 1934, and those issued during the year amounted to £1,498 4s. 8d. Of this amount the sum of £766 13s. 8d. was expended.

As usual, all applications for assistance in this direction were carefully investigated, and, with due regard to the necessity for curtailing expenditure as far as possible, assistance was granted in those cases where the results of the investigations warranted it.

The expenditure on Schools of Mines amounted to £3,470.

On the estimates for the current year provision is being made for the publication of a treatise entitled "Gold-mines of the Hauraki District."

This work has been written by Mr. J. F. Downey, M.I.M.M., Inspector of Mines, Waihi, and is the result of much careful research. The book should prove of considerable value to all persons interested in mining in the Thames and Coromandel districts.

(b) UNEMPLOYMENT BOARD.

During the year the Unemployment Board continued to assist men to prospect for gold, the net expenditure by the Board for subsidies, supervisors, purchase of equipment, &c., being £187,689, including £3,169 paid to mining companies and syndicates by way of subsidy on the wages of the men employed. Except in special cases, the persons who are employed by companies and syndicates and whose wages are subsidized must be men who are eligible for relief and who were previously employed under one of the schemes of the Board.

Applications for subsidies made by companies and syndicates are thoroughly investigated by the Mines Department, and special reports furnished to the Board to assist it in coming to decisions. In such cases the amount of the subsidies received is refundable before dividends can be paid.

During the year an average of 3,600 men, including subsidized men employed by companies and syndicates, have received assistance.

From the inception of the Board's prospecting schemes to the 31st March, 1934, 9,983 oz. of gold, excluding gold obtained by subsidized companies and syndicates, was won by subsidized miners. For the twelve months ended 31st March, 1935, 8,370 oz. was obtained, making a total production of 18,353 oz.

Six advisory mining engineers and seventy-seven supervisors are employed, and their expert assistance and guidance are always available to the men.

STAFF.

I desire to place on record my sincere thanks to the officers of the Department for their loyal co-operation and ready assistance at all times during the past year.