

£1 entitles him, and living in his independent way, frequently combining his work with agricultural and other pursuits, probably finds this income more equal to his requirements than the apparently larger income may be to artisans in towns.

#### AIDS TO PROSPECTING, AND SUBSIDIES TOWARDS CONSTRUCTING TRACKS UPON GOLD FIELDS, AND TOWARDS PURCHASING DIAMOND DRILLS.

During the past year subsidies to prospecting parties have only been continued until notice could be given that no further vote had been taken for this purpose; and this system of aiding prospecting has now ceased, as it was found that no tangible results were ever realized from it.

Upon the other hand, the vote administered by this department in aid of the construction of tracks upon gold fields has proved most useful during the year, subsidies to the extent of an equal contribution having been granted to the Coromandel, Thames, Piako, Waimea (Nelson), Inangahua (Reefton), Grey, and Westland County Councils towards the construction of tracks and roads upon gold fields, further assistance having also been given from this vote towards cutting a track to the Terawhiti Reefs, near Wellington. Frequent reference will be found in the Wardens' reports to the good work of opening otherwise almost inaccessible auriferous country which this assistance has enabled the local bodies to undertake. In many cases these prospecting tracks are so laid out as to fit in with communication by or between permanent roads, and in this respect they serve the double purpose of opening the country to both miner and settler.

At the date of last year's report, the Government diamond rock-boring machine was under hire at the Kamo Colliery, Whangarei; and, as it was afterwards applied for by the Bay of Islands Coal Company, the Government decided to accept the offer of that company for its purchase. Another reason for disposing of the machine to this company was that one diamond drill might be permanently located in the neighbourhood of the mineral deposits of the North Island. It is reported that the machine has been doing good work for the company, and that they are pleased with their purchase.

As has been shown in another part of this report, advantage has been taken of the vote in aid of purchasing drills, by the Inangahua County Council, a large diamond boring machine having been ordered by that body, and its arrival may be expected shortly. The Lake County Council has also applied for the subsidy towards purchasing one of these machines, and is now in correspondence with manufacturers upon this subject. The Tuapeka Prospecting Association proposed to purchase a machine of a smaller description for prospecting the cement deposits at Lawrence, and they were promised a subsidy towards the purchase of this or a larger machine, but they do not appear to have moved further in the matter at present. The Westland County Council has recently applied for assistance in purchasing a diamond drill, and no doubt before long the object of the vote to introduce these machines into the mining districts of the colony will be attained.

#### WATER RACES, &C., UNDER THE CONTROL OF THE MINES DEPARTMENT.

The Government water-races are the Argyle, at Charleston, the Nelson Creek, near Ahaura, the Waimea-Kumara, supplying Stafford and Goldsborough and Kumara, and the Mount Ida, at Naseby; the three former being directly under the control of the department, and the latter being managed by the Trust established under "The Mount Ida Water-race Trust Act, 1878." The Nelson Creek water-race shows satisfactory returns against the cost of maintenance during the year; but the profits from the Argyle and Waimea-Kumara races are more than counterbalanced by the cost of reconstructing the dams, &c. (referred to in another part of this report), rendered necessary in consequence of damage by floods in March, 1881. As stated in former reports, their cost, or even interest upon it, cannot be recouped directly from the revenues of these works; but they indirectly repay the country in some measure by enabling a considerable number of miners to earn fair wages.

Return No. 14, following the appendix, shows the receipts from and the ordinary expenditure upon the Government water-races during the year ending