

It will be seen from this table that the value of sales of water during last year amounted to £497 12s. 9d., as against £480 8s. 5d. the year previous, being an increase in the sales of water of £17 4s. 4d. The expenditure on maintenance last year was £403 11s. 4d., as against £382 6s. 5d., or £20 4s. 11d. more than the previous year. This is accounted for by breaks occurring in the siphon which conveys the water across Ballarat Gully. The net profit on working this race last year was £76 17s. 1d.

The average number of men employed in claims worked by means of water from this race during last year has been twenty, and the approximate amount of gold obtained by them was 630oz., representing a value of £2,394, which leaves their average weekly earnings after deducting sales of water, at £1 17s. 3d. per man. The value of free water given to test ground during the year has been £84. Taking the net profits on the last year's workings and the cost of construction, which amount to £14,711 3s. 11d., it has paid a little over three-tenths per cent. on the capital invested.

MIKONUI WATER-RACE, WESTLAND.

There has been no further work done on this water-race during the last year. The portion constructed—namely, three miles at the lower end—was leased to the Mont d'Or Company—at the rate of £100 per annum; but recently the rent has been reduced to £50 per annum on condition that the company re-timber the tunnels and keep them in repair for a period of five years. The expenditure on this work up to date has been £25,644 9s. 6d., but it is estimated that an additional £60,000 would be required to complete it before a supply of water could be got.

MOUNT IDA WATER-RACE, OTAGO.

This water-race is managed by a trust, and has up to last year cost more to maintain than the revenue derived from it. The receipts and expenditure from this water-race are for the year ending December, 1887, and not to the 31st March, as for the other water-races, which are managed direct by the department.

The principal unworked ground that this water-race commands is in the vicinity of Home and Spec. Gullies. There are some very good claims in Home Gully, but the majority of the miners still adhere to working the ground in the old style, with very little pressure and a canvas hose, instead of getting iron pipes and utilising the whole head that can be got from the water-race, so that they could bring down the material in the face with the water and puddle it, instead of picking down the material before using the water. Some parties are now using pipes and working the ground in a systematic manner, which was represented to me as paying well. Most of the ground on the Naseby side of Hogburn Gully is pretty well worked out—that is, the ground the race commands; so that the time is not far distant when the revenue from this water-race will principally depend on the ground which the extension commands. There is, however, a large tract of country between St. Bathans and Naseby where very little prospecting has been done, and where there is a likelihood of payable gold-bearing wash-drift being yet found. If such were discovered this water-race would become a valuable property, as it commands a large area of ground.

The following table will show the results of the working of this water-race during the last year :—

Month.	Sales of Water.	Amount of Cash received for Sales of Water.	Expenditure.	Amount of Outstanding Moneys at the End of each Month.*	Number of Men employed.†	Approximate Amount of Gold obtained.	Value of Gold.
1887.	£ s. d.	£ s. d.	£ s. d.	£ s. d.		Oz.	£ s. d.
January	30 2 3	175 1 4	96 1 4	..	..	300.	1,125 0 0
February	44 12 4	103 11 10	124 19 6	..	..	230	862 10 0
March	89 6 10	154 18 5	115 7 4	..	..	220	825 0 0
April	79 11 5	92 1 11	78 18 4	..	..	250	937 10 0
May	170 9 3	77 1 8	130 15 1	..	..	190	712 10 0
June	136 7 5	64 0 10	81 16 4	..	..	150	562 10 0
July	74 12 7	48 10 0	103 18 10	..	..	100	375 0 0
August	114 11 1	50 13 6	85 8 10	..	..	160	600 0 0
September	140 4 2	165 12 6	88 14 10	..	..	400	1,500 0 0
October	192 0 4	74 5 1	101 7 4	..	..	350	1,312 10 0
November	136 19 1	135 14 0	154 12 2	..	..	300	1,125 0 0
December	186 0 7	213 9 8	93 18 5	..	..	450	1,687 10 0
Totals	1,394 17 4	1,355 0 9	1,255 18 4	..	..	3,100	11,625 0 0

* No monthly record kept. The outstanding accounts in December, 1886, were £1,135 3s. 4d.; in December, 1887, £1,315 13s. 11d. The bulk of these have accumulated during the last eleven years. The balance outstanding between the years mentioned above has since been paid.

† A full supply of water gives employment to about a hundred and thirty men. The number of men employed is regulated by the quantity of water supplied. When water is scarce they are engaged in "falling," and other dry work.

This shows that the receipts last year were £1,355 0s. 9d., and the actual sales of water £1,394 17s. 4d.; whereas the receipts the year previous amounted to £1,445 7s. 1d., and the value of the sales of water to £1,454 11s. 11d.: showing that the receipts for the year previous were £90 6s. 4d., and the value of the sales of water £59 13s. 7d., more than they were last year. Notwithstanding this, the expenditure last year was £1,255 13s. 4d., as against £1,613 1s. 4d. the year previous, being a decrease in the cost of maintenance last year of £357 8s. The net profit on the working of this race last year was £99 7s. 5d. if the actual receipts be taken, or £139 4s. if the value of the sales of water be taken. The latter amount shows the actual profit on the year's transactions.

The average number of men employed in claims worked by means of water from this water-race is 130, and the approximate amount of gold obtained during the last year was 3,100oz., representing a value of £11,625; which gives the average weekly earnings of the miners, after deducting the value of the sales of water, as £1 10s. 3d. per man, or 11d. less per man than the previous year. Taking the actual profit for the year as £139 4s., and the cost of construction, which amounts to £66,766 3s. 8d., it has only paid 0.21 per cent. on the outlay.