"Golden Treasure antimony-ore assays at the rate of 1oz. 7dwt. 7gr. per ton. Gold has also been found in the Devonian rocks showing in Murray Creek. This rock carries veins of quartz, and 50lb. taken from a face gave gold at the rate of 2dwt. 2gr. per ton, and another parcel of 3lb. gave at the rate of 7dwt. 4gr. per ton. There is a large body of this rock, and it is very easily obtained.

"*School.*—In June last a balance, with some chemical apparatus and assaying material, arrived from England, which only partly furnished the school with the necessary appliances for carrying on the classes. The water is laid on to the outside of the building, but is not laid over the school, and it is at present very inconvenient when putting through large samples of quartz, as all water must be carried. A good supply of chemicals is, however, what we are most in need of at present. The committee were very uncertain as to the support the Government was to give to the schools of mines, but this was explained to them by the Hon. the Minister of Mines at a meeting held in the school on the 22nd March last. The committee now intend to amalgamate with Boatman's, and to fix the school on the same basis as the Thames school, holding annual examinations and issuing certificates of competency.

"*Mine-managers Examination.*—Two candidates went up for this examination in July last, when one was successful, the other only failing in one subject. In February, 1891, six candidates sat, two under "The Coal-mines Act, 1890," and four under "The Mining Act, 1886."

"Having made arrangements, I leave Reefton on Thursday, the 2nd April, for Takaka, *viâ* Nelson, to examine and report on the new discovery said to be made in that district, and also to hold classes at Takaka and Collingwood, according to your instructions."

Mr. Aitken's duties have been confined to the Reefton and Boatman's schools, but it is intended to get him to devote part of his time in visiting and giving lectures in the different schools on the West Coast. Recently he has visited the Takaka and Nelson schools, and also the alleged new find of auriferous sandstone in the ranges between Takaka and Collingwood; he brought away a variety of samples, and assayed them at the Takaka School of Mines, which proved that, although there were traces of gold and silver, the material was of no practical value. Mr. Jacobsen, who resides at the Onahau, has for a long time been reporting that rich ore was found in this locality, and on the visit of the Hon. the Minister of Mines to the district he complained that the assays previously made by other persons of this ore were entirely misleading, as he had made a number of tests which showed the ore to be rich in gold and silver. Mr. Aitken reports, in reference to these assays, as follows: "Mr. Jacobsen separates out what he terms the component parts of the stone, namely, oxides of iron, gold, and silver, takes some gin and whisky and sets fire to it, and allows it to burn for about five seconds, then adds four times the quantity of distilled water, then sprinkles the powdered material on this solution, when any mineral laid on the top is supposed to sink, except the oxide of gold, which is to float on the surface."

The principle of making tests by this process is, to say the least, absurd. Mr. Aitken, in referring to the School of Mines at Nelson, states that it is better supplied with chemicals and appliances than any of the schools on the West Coast, but there is no interest taken in it. He delivered five lectures there, but only about six persons attended. The committee had contemplated disposing of the chemicals and apparatus to the College at Nelson. As £50 was given towards their purchase by Government, they might be procured, at small cost, for the Reefton school.

The following statement will show the expenditure by the department on the schools of mines since they were established:—

Financial Years.	Subsidies towards the Erection of Schools of Mines, and Maintenance.	Chemicals and Apparatus, also Mineralogical Specimens, supplied to Schools of Mines.	Salaries of Teachers, and Travelling-expenses, &c.	Total Sums paid by the Department towards the Schools of Mines.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1885–86	Nil	36 19 9	1,223 9 10	1,260 9 7
1886–87	257 16 6	409 1 4	2,716 9 3	3,383 7 1
1887–88	253 15 9	253 14 1	1,714 9 6	2,221 19 4
1888–89	42 10 0	6 12 9	1,139 4 1	1,188 6 10
1889–90	142 2 0	181 14 10	716 3 10	1,040 0 8
1890–91	217 6 6	54 8 0	620 9 9	892 4 3
Totals	913 10 9	942 10 9	8,130 6 3	9,986 7 9

The total expenditure on these schools during the six years they have been in existence amounts to £9,986 7s. 9d. In addition to this, £500 has been paid towards the School of Mines in connection with the Dunedin University, making the total payments to the University for the last six years £3,000. This makes the total cost of technical education in connection with mining during six years to be £12,986 7s. 9d. There can be no doubt that these schools will ultimately cause mining to be conducted on more scientific principles than heretofore, there being no industry in the colony requiring men of higher training in practical as well as technical knowledge of mining in all its branches.

WATER-RACES.

Waimea Water-race.

This water-race is in fair order; some of the boxing on the flumes is getting considerably decayed, but this can be easily replaced at any time. The understructure of the fluming is gradually being renewed; numbers of new legs have to be put in from time to time, which is done during