towards Goldsborough before it can be utilised, but the most important work at the present is the deviation at the upper end of the long siphon. The estimated cost of extension towards Goldsborough is about £700, and to complete the branch to Callaghan's about £1,400. Until a survey is made of the deviation at the upper end of the long siphon no correct estimate can be formed; but, judging from the distance that the ditch will have to be taken, it will probably exceed £2,000.

There is also a portion of the race, about Greek's Gully and Fox's, where there is high fluming erected, but this is not in such a decayed state as the long flume near the head, a good deal of repairs having been done to strengthen it. When the time comes to replace the flumes in this locality it will be a question of extending the branch on the opposite side of the range, which would do away with most of the flumes on the race and several bad tunnels.

The sales of water from the Waimea Race were considerably less last year than they were for the previous one, owing to so many breakages having taken place in the high fluming on the upper portion of the race. The manager states that the repairs took about seven weeks, and cost £300. During the whole of this time no parties could be supplied with water.

The following statement will show the amount received for sales of water, the expenditure on maintenance, the number of men employed, and the approximate quantity of gold obtained by those using water from this supply:—

Month.			Sales of Water.		Cash received for Sales of Water.			Expenditure.			Outstanding Moneys at the End of each Month.			Number of Men em- ployed.	Approxi- mate Yield of Gold in Ounces.	Value of Gold obtained.		
1898	3, .		£s		£	s.	d.	£		d.	£	s.	đ.			£	s.	d.
April		•••	62		82		5	64	10		56	15	5	64	155	604		0
May	• •	• • •	88 19		87	14	0		12	4		15	5	68	220	858	0	0
June	• •	••	95		61	13	3		12				5	67	240	936	0	0
July		• •	72 (86	15	0	67	19	10		15	5	65	180	702	0	0
August		• •	77 9		93	18	6	75	8	2	56	15	5	65	192	748	16	0
September			73 2	2 11	69	18	3	70	7	4	56	15	5	67	180	702	0	0
October			76 19	3	82	17	3	63	12	2	56	15	5	74	190	741	0	0
November			89 13	10	69	6	9	72	4	10	56	15	5	74	220	858	0	0
December			42 10	0 0	9	11	3	93	5	3	56	15	5	73	105	409	10	Ô
1894	:•	-			-						-							
January			45	1 7	65	0	6	106	19	5	56	15	5	69	112	436	16	0
February			63 12	2 6	79	14	6	81	3	0		15	5	64	158	616	4	ŏ
March			42 (10	37	15	0 -	77	13	2			11	63	100	390	ō	ŏ
Totals	••	••	828 1	5 8	826	19	8	919	. 9	4				67 (average)	2,052	8,002	16	0

It will be seen from the above statement that the value of the sales of water amounted to £828 15s. 8d., as against £1,015 12s. 3d. for the previous year, thus showing a decrease of £186 16s. 7d.; but this decrease is owing to the breakages before referred to. The expenditure last year was £919 9s. 4d., which leaves a deficit on the year's transactions of £90 13s. 8d. The approximate quantity of gold obtained by those using water from the water-race was 2,052oz., representing a value of £8,002 16s. Deducting the value of the sales of water, it leaves £7,174 0s. 4d. as the average earnings of sixty-seven miners, which is equal to £107 1s. 6d. a man per annum, or £2 1s. 2d. a man per week. The total cost of this work up to the present time is £130,698 16s.

Kumara Water-race.

This water-race is in very good repair, but there is no gainsaying the fact that the time is fast approaching when extensions will have to be made to command fresh ground. Four claims, which used about forty sluice-heads of water, have been worked out during the year, and, although some of the present claims will yet take many years to work out, provision will have to be made to extend the race to command fresh ground. A commencement has been made to construct a No. 4 tunnel tail-race; when this is completed it will open up a considerable area of new ground. Thirteen claims have been taken up, comprising 69 acres, between the Long Tunnel Company's workings and the main road to Hokitika, where good prospects have been obtained. The miners state that twenty-nine shafts have been sunk on this ground, and the material from such all show that it is payable ground for sluicing. The manager of the water-race had some of the material from these shafts washed, which yielded 5 grains of gold to the cubic yard. This is considered very good ground for hydraulic sluicing; before, however, it can be worked, a tunnel tail-race will have to be constructed for about 70 chains in length, which is estimated to cost about £4,500. A survey has been made of this tail-race, and an application made to the Government for some assistance towards its construction.

The estimated cost of the No. 4 tail-race which is under construction is £3,000, and a subsidy of £1,000 has been authorised towards this work. When this is completed, and the No. 5 tail-race constructed, it will give a new life to Kumara. The construction of these tail-races means an expenditure on the Kumara Race so as to be in a position to supply the claims with water. The ditch will have to be extended for about 40 chains along the side of the Kapitea Hill, and it will require a siphon about 30 chains in length to bring the water on to the ground.