

the staff below what is necessary to meet the present requirements of the country.

Arrangements have been made to send out two parties during the coming summer to carry on the survey in the North and South Islands respectively. While this is a reduction compared with the number of parties in the field in previous seasons, care will be taken that the work is continued in the same thorough manner as heretofore, and that the cost does not exceed such an amount as the importance of the Geological Survey in relation to other branches of State activity warrants.

CONFERENCE OF INSPECTORS.

In order to ascertain the views of those whose special function it is to supervise the mining industry, regarding the working of the Mining and Coal-mines Acts, a conference of Inspectors of Mines was held at Waihi. Subjects of considerable importance to the industry were discussed, and a number of amendments were recommended to the existing mining law, some of which will be embodied in Bills shortly to be introduced for the consideration of honourable members.

UREWERA COUNTRY.

Negotiations with the Native owners of the Urewera Country are completed, and this large district has now been thrown open for mining. Regulations have been framed, on somewhat similar lines to those already existing with regard to other Native lands, for the purpose of controlling the industry and preserving the rights of the Natives, and I anticipate that prospecting operations will be commenced in the immediate future in this part of the Dominion, which for many years has been reported to be gold-bearing.

ROADS AND TRACKS.

Valuable aid has been rendered to the mining industry by the construction of roads and tracks in the back country. Liberal assistance in this respect has been provided, and much country formerly inaccessible has been opened up. It is to be regretted, however, that greater advantage has not been taken of these improved means of access to the unprospected country by parties of miners in search of new fields. The expenditure on roads and tracks constructed by direct grants during the financial year ended 31st March, 1909, amounted to £47,374 6s. 3d.

PROSPECTING THE BACK COUNTRY.

It has been found by experience that prospecting subsidies, though liberal in amount, have not given the results that were so confidently expected when that policy was first determined on. To a great extent it may be attributed to the fact that many who received the subsidies continued operations in the vicinity of the old goldfields that had been already well prospected and worked out, and very few discoveries of importance resulted from the search for gold in the neighbourhood of the old diggings. The most important discovery was that of the quartz reefs in the Upper Blackwater, on the West Coast, where an English company took over the property and is now working on a large scale. That find resulted from the fact that the subsidised party went out of the beaten tracks; and if results are to be commensurate with the expenditure in future it will be most desirable to encourage the prospecting of the least-explored portions of the mining districts.

BORING OPERATIONS.

For the purpose of assisting prospecting, three diamond drills and one Keystone placer drill have been obtained by the Mines Department, and these are now in operation on the Auckland, Otago, and the West Coast goldfields. Numerous applications for the use of these drills are being received from mining companies, local bodies, and others, the terms upon which they are to be hired being extremely reasonable.