C.--2.

On account of payment in advance, free water was supplied to the value of £21 14s. 5d., and free water for washing up was supplied to the value of £99 2s. 6d.

The total value of water supplied from this race amounted to £1,306 12s. 6d., a decrease on that of

last year of £223 17s. 9d.

The approximate quantity of gold obtained by parties using water from this race during the year was 1,187 oz., valued at £4,569 19s., a decrease on that of last year of £835 9s.

The average number of men employed was 27.583.

With the exception of two months the year just ended was one of continuous drought. October and November were the only months when a full supply of water was available; from the 1st April to the beginning of October very little rain or snow fell, and, although the greater portion of the winter was very mild and free from frost, there was not sufficient water in the creeks to fill the race. The water was on along the whole course of the race until the 27th July, when frost compelled it to be turned off from Pearce's gorge upwards. Fairly severe frost continued until a thaw set in on the 5th August. The weather continuing dry, I had the water turned out on the 16th August, and started with all the available men to clean and repair the race, which was completed and the water on again on the 14th September. The weather from this date continued dry, until good rain set in on the 5th October, which gave a full supply of water. Good rains fell at intervals to the 16th November, when dry weather again set in and continued so to the end of the year.

The main race during the year was very free of mishaps: the falling of a quantity of debris in the

Eweburn tunnel, and a few small breaks in distributing-races, where the chief contingencies.

The race at present is in good order, and when water is available the demand is rather more than equal to the carrying-capacity of the race.