

Provision totalling £1,527, including £1,027 in the Public Works Fund, was made for expenditure by way of direct grants and subsidies for roads and tracks. The balance of the unexpended authorities at the 31st March, 1935, and those issued during the year amounted to £1,699 5s. 2d. Of this amount the sum of £1,051 18s. 10d. was expended.

The expenditure on Schools of Mines amounted to £3,536.

The treatise entitled "Gold-mines of the Hauraki District," written by Mr. J. F. Downey, M.I.M.M., formerly Inspector of Mines, Waihi, was published during the year, and should prove of great value to all persons interested in mining in the Thames and Coromandel districts.

I am pleased to state that greater provision is being made on the current year's estimates of the Mines Department for assistance to gold-mining than has been made for many years past.

(b) LABOUR DEPARTMENT (EMPLOYMENT DIVISION).

During the year the Labour Department (Employment Division) continued to assist men to prospect for gold, the net expenditure by the Department for subsidies, supervisors, purchase of equipment, &c., being £178,892, including £7,794 paid to mining companies and syndicates by way of subsidy on the wages of the men employed.

Applications for subsidies made by companies and syndicates are thoroughly investigated by the Mines Department, and special reports furnished to the Labour Department to assist it in coming to decisions. In such cases the amount of the subsidies received is refundable before dividends can be paid.

An additional amount of £3,465 was expended during the year in connection with geophysical surveys.

During the year an average of 3,300 men, including subsidized men employed by companies and syndicates, have received assistance.

From the inception of the Labour Department's prospecting-schemes to the 31st March, 1935, 18,353 oz. of gold, excluding gold obtained by subsidized companies and syndicates, was won by subsidized miners. For the twelve months ended 31st March, 1936, 9,364 oz. was obtained, representing an increase of 994 oz. over the previous year, and making a total production of 27,717 oz.

Five advisory mining engineers and seventy-seven supervisors are employed, and their expert assistance and guidance are always available to the men.

STAFF.

Mr. I. A. James, Superintendent of State Coal-mines for many years, recently retired for health reasons after long and meritorious service. His position has been filled by the appointment of Mr. C. J. Strongman, Inspector of Mines.

Mr. F. A. Nalder, Manager of the State Coal Depot, Wellington, has also, I regret to say, found it necessary to resign for health reasons. Mr. Nalder has served the Department faithfully and well for a period of twenty-nine years.

Finally, I desire to place on record my sincere thanks to the officers of the Department for their loyal co-operation and ready assistance at all times since I took office.