Month.	Value of Water given towards the Cost of Deviation and Construction of Tail-races.	Sales of Water, Channel-fees, and Value of Gold obtained from Channel.	Cash received for Sales of Water and Channel-fees.	Expenditure.	Outstanding Moneys at the End of each Month.	Number of Men employed.	Approximate Quantity of Gold obtained.	Value of Gold.
1889:	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.		Oz.	£ s. d.
April ..	..	589 9 9	939 1 6	566 9 3	95 12 11	257	910	3,458 0 0
May	..	739 10 11	496 7 6	498 7 7	124 18 10	272	1,002	3,807 12 0
June	..	393 0 3	406 17 4	392 12 11	117 9 11	269	601	2,283 16 0
July	..	525 10 11	465 18 4	513 5 8	100 17 3	266	796	3,024 16 0
August ..	..	482 5 9	651 10 3	366 9 11	122 5 0	279	1,073	4,077 8 0
September ..	..	440 2 4	341 10 10	338 5 0	114 16 3	265	1,011	3,841 16 0
October ..	..	524 18 8	402 12 10	361 19 7	133 10 8	274	1,132	4,301 12 0
November ..	..	468 13 8	409 19 8	400 2 11	133 19 1	271	1,116	4,240 16 0
December ..	..	245 8 4	292 18 0	400 7 5	117 8 8	275	601	2,283 16 0
1890.								
January ..	..	263 6 4	239 2 2	641 9 3	141 11 6	247	406	1,542 16 0
February ..	..	388 3 8	366 4 0	507 0 2	133 18 10	258	968	3,678 8 0
March ..	..	439 8 5	202 7 10	447 7 8	141 10 8	253	530	2,014 0 0
Totals ..	2,715 1 3	5,499 19 0	5,214 10 3	5,433 17 4	..	266*	10,146	38,554 16 0

* Average.

This shows that the value of the sales of water and gold-dust was £5,499 19s., and the value of water given towards the construction of deviations and tail-races, £2,715 1s. 3d.; making the total value £8,215 0s. 3d., as against £9,798 11s. 6d., which shows a falling-off last year to the extent of £1,583 11s. 3d. The cost of maintenance for the year was £5,433 17s. 4d., as against £6,169 10s. 4d. for the former year; thus showing a decrease in the expenditure last year of £735 13s. The profits of last year would amount to £2,781 2s. 11d. if the value of the water given towards the construction of deviations and tail-races were taken into account, but if this value were deducted, there is only left a profit of £66 1s. 8d.; but, seeing that the value given away represents a certain amount of money, the larger amount has to be taken to give a clear idea of the value of the work.

The outstanding moneys at the end of the previous year amounted to £128 15s. 4d., and at the end of last year they amounted to £141 10s. 8d. The average number of men employed in claims which are worked with water from this supply last year was 266, or one man less than for the year previous. The approximate quantity of gold obtained from the claims worked with water from these races was 10,146oz., representing a value of £38,554 16s. If the value of the water used be deducted from this amount the total earnings of the miners employed are shown to be £30,339 15s. 9d., which is equal to about £113 18s. 11d. a man per annum, or about £2 4s. per week, as against £2 15s. 4d. for the former year. Taking the total cost of the construction of the works, which was £173, and the profit on the working last year, it is equal to about $1\frac{2}{5}$ per cent.

In concluding my remarks on the different water-races and sludge-channels which are in connection with this work, it is only fair to the manager to state that he has displayed considerable ability and energy in effecting the repairs and in combating with the different obstacles he had to encounter in connection with the sludge-channel, and in carrying on the work in the different deviations.

Nelson Creek Water-race.

The maintenance of this water-race is becoming so expensive in keeping up the bridges and flumes that it is now impossible to do this from the revenue arising from sales of water. The principal bridges are now in such a decayed condition that some of them may collapse any day. To renew these bridges would entail an expenditure of about £25,000, and the present prospects of the future sales of water do not warrant any such outlay. Most of the known auriferous drift-terraces are washed away, and, unless water were required to work the flat, beds of the gullies, and also the bed of Nelson Creek on the hydraulic elevating principle, there is no prospect of being able to sell sufficient water to cover the cost of maintenance.

The length of bridges and flumes on the main race is 1 mile 17 chains, and a large number of the bridges have long spans, varying from 40ft. to 150ft. These bridges have been erected for over fourteen years, and, although some of them are strengthened and repaired, and may be expected to be good for another two years, they are so much decayed that they may collapse any day, and if such an accident were to take place it would be much cheaper to substitute iron piping as siphons across the gorges and gullies. There are likewise seven flumes and bridges on the branch race, of an aggregate length of 9 chains 10 links. One of these bridges has been down for two years, so that no water can be supplied from the branch race. If there were sufficient ground proved payable for working near the lower end of the race—such as the valley and bed of Nelson Creek—to justify the race being put in good repair, the whole of the water should be brought down the branch race, and conveyed across the valley of Gow's Creek by a wrought-iron siphon to join the main race at 10 miles 6 chains. This would cut off that portion of the main race from the 6-mile peg to 10 mile 6 chains, and shorten the distance 1 mile 68 chains; it would also cut off 32 chains of the worst bridges and flumes on the race. The cost of substituting siphons for all the remaining bridges, including the branch race and siphon across the valley of Gow's Creek, would be about £13,000.

This work up to the present time has cost in round numbers £90,723, and during the twelve years that water has been sold to the miners the sales of water have amounted to £16,766 15s. 7d., and the expenditure on maintenance for the same period to £14,183 0s. 7d., thus leaving a balance of profit on the workings of £2,583 15s. The approximate quantity and value of gold extracted by means of this water-race is 31,733oz., of a value of £121,143. The amount of revenue in the shape of gold duty that the water has been the means of getting is £3,173 6s.; adding this to the net profits on working, it amounts to £5,757 1s.; while the approximate total value of the gold obtained is