

Mr. Warden McCARTHY to the UNDER-SECRETARY for MINES, Wellington.

SIR,—

Warden's Office, Invercargill, 24th May, 1901.

I have the honour to enclose herewith the annual statistical returns dealing with mining matters in the portion of the Otago Mining District under my care for the year ending the 31st March, 1901.

Beyond the opening of the shale- and oil-works at Orepuki, the closing-down of the quartz-mines at Preservation Inlet, the starting of dredging operations on the Waiau River, and the inactivity of mining matters generally, there is nothing of interest to chronicle.

I have, &c.,

S. E. McCARTHY, Warden.

The Under-Secretary, Mines Department, Wellington.

WATER-RACES.

WAIMEA-KUMARA WATER-RACES.

Mr. ALEXANDER AITKEN, Manager, Waimea-Kumara Water-races, to the UNDER-SECRETARY, Mines Department, Wellington.

SIR,—

Kumara, 20th May, 1901.

I have the honour to forward the following report on the Waimea-Kumara water-races for the year ended 31st March, 1901:—

WAIMEA RACE.

The total sales of water from this race for the year ending 31st March, 1901, amounted to £560 0s. 5d., and the expenditure for maintenance and repairs during the same period was £794 6s. 3d., showing a debit balance of £234 5s. 10d. on the year's transactions.

The average number of miners supplied with water for sluicing from the race was 30.58, and the approximate quantity of gold obtained by them was 1,717 oz., the value of which was £6,696 6s.

The sales of water are £62 13s. 2d. less than during the preceding year, and the quantity of gold obtained was 200 oz. less, representing a value of £780.

The number of miners employed in sluicing with water from the race was six less than during the preceding year.

Water was plentiful and very few stoppages occurred during the year, but yet the sales of water and the yield of gold show a considerable falling-off. The ground commanded by the race still unworked is very poor, all the best of it having been washed away during the thirty-six years the field has been worked. The field has been a good one, and large quantities of gold have been won from it; but, like all other alluvial fields, the best and most available ground was worked first, and the patches still left unworked are exceedingly poor. The ground worked during the year with water from the race has not yielded anything near the current rate of wages, and only a bare living has been made by the miners.

The high and expensive fluming on the race where it crosses Pretty Woman's Gully completely broke down during the year, and instead of re-erecting the flume a race in open cutting has been constructed, with a short and inexpensive flume where it crosses the gully. This work did not cost more than one-tenth of the amount the re-erection of the flume would have cost, and it answers the purpose quite as well, and will not cost nearly as much for maintenance and repair.

The expenditure on maintenance and repairs during the year was £63 4s. 6d. less than during the previous year, and it includes the renewal of a portion, about 4 chains in length, of the original fluming at Kawhaka, which was so decayed that it had to be replaced by an entirely new flume. The cost of this fluming added considerably to the expenditure for maintenance and repairs, but, as a large portion of the material for the new flume was taken from the original high fluming (not now in use), the cost was much less than it would have been if new material for the whole work had to be obtained. All the silver-pine stringers and planking in the old high flume referred to were in good condition, and were used again in the new flume, although they had been in the old work for about twenty-eight years, which shows the value of silver-pine in a work of this kind.

Many of the parties could not afford to pay for the whole quantity of water supplied to them from the race, in consequence of the extreme poverty of the ground worked by them, and allowances were made after full enquiries in each case had been instituted, and then only after all paying parties had been supplied. Nearly all the claims in the Waimea and Stafford districts would have to be abandoned unless concessions of the kind referred to are made.

Water was supplied to the trustees of Kelly's Terrace Drainage-tunnel for sinking No. 3 shaft, and for hauling the material from the tunnel; and a quantity of waste water was supplied to parties prospecting new ground, but this was only done after all paying parties had been fully supplied, and when there was plenty of water to spare.

In the back gullies there are still a number of parties at work on ground not commanded by the race, and as they depend entirely on local rainfall for water, which they conserve in dams constructed for that purpose, the year just past must have been very favourable for them.