

Including grants made to the School of Mines connected with the Otago University at Dunedin, the expenditure on account of these institutions by the Mines Department during the past year amounted to £2,110, and the aggregate expenditure thereon by the Department since their initiation totals to £49,816.

ROADS AND TRACKS.

The Government recognize the need for constructing roads and tracks to open up mineral lands, and that policy will be adhered to. The expenditure on roads and tracks constructed by subsidies and direct grants during the financial year ended 31st March, 1912, amounted to £41,067.

PROSPECTING.

Liberal assistance is offered under the Mining Regulations to prospectors. The expenditure on subsidies to prospecting associations and parties of miners in the different counties for the year amounted to £3,534.

GOLDFIELDS WATER-RACES.

The total revenue derived from sales of water during the year ended 31st December, 1911, amounted to £2,594, and the total expenditure thereon, including maintenance, to £3,369, showing a deficiency of £775.

On the 12th April, 1912, the Kumara Water-race extension, by inverted siphon two miles in length across the valley of the River Taramakau, was officially opened by me. This conduit delivers 36 cubic feet of water per second into the distributing-race on the northern terrace of the Taramakau, and, with its storage dam, will be able to supply 50 cubic feet of water per second for twelve hours a day throughout the whole year for the development of the extensive alluvial deposits still unworked in the Westbrook, Maori Point, and Hayes Terrace localities. The cost of this water-race extension amounted to about £20,000, and it is sincerely hoped that the miners will use the water to the fullest extent and to the best advantage, and thereby encourage the extension of the Government water-races to other localities. As a power scheme this conduit has valuable possibilities, as from it about 2,600 brake horse-power could be developed at the Government power reserve on the south bank of the river, and no doubt, as the price of coal and other fuel increases, this power will be in considerable requisition. Indeed, in the not-distant future it may be that the water-power available from our west coast mountain rivers and streams, being within easy access of navigable rivers and railway communication with our large towns, will be the means of establishing manufactories and industries supplied with raw material from distant parts. The conservation, therefore, of the sources of high-pressure water-power is very important in the interests of the Dominion.

GEOLOGICAL SURVEY.

During the year detailed geological surveys have been carried on in the Waihi-Tauranga and Mokihinui Subdivisions, and the results of these operations will be duly published in the annual report on the survey, as well as in the usual Bulletins.

ROYAL COMMISSION ON MINES.

During the year a Royal Commission was appointed to inquire into and report on the conditions relating to the health and safety of the miners of New Zealand, and the administration of the laws relating to mining, and to make recommendations as to any amendment of these laws which might be considered necessary for the better protection of the health and safety of persons working in mines. The Commission was directed to inquire more especially as to the prevention of accidents in mines; the ventilation of mines; the underground sanitation of mines; change- and bath-houses for miners; what steps should be taken to guard against miners' phthisis; and as to the profitable utilization of the soft bituminous and lignite coals of the Westport district.