(2) GOVERNMENT PROSPECTING DRILLS.

The following table gives details of the drilling done and the results obtained for twelve months ended 31st December, 1935:—

Drills used: Diamond and Keystone drills. Percussion and Hand-placer drills.

Number of Holes drilled	Total Depth, in Feet.	Diameter of Hole.	Mineral sought.	Character of Country drilled through.	To whom lent.	Cost per Foot of Drilling.	Cost per Foot of Transport.	Cost per Foot of Carbon's Wear.	Remarks.
18	Ft. 307	In. 6	Gold	Gravel	Alluvial Holdings,	s. d. 12 2	s. d. 0 4·5	s. d.	
$_2^5$	1,591 79	6 6	Gold Gold	Clay and sand Gravel	Argyle Mining Co. Austral Malay Tin, Ltd.	$\begin{array}{ccc} 10 & 2 \cdot 2 \\ 8 & 4 \end{array}$	$\begin{bmatrix} 1 & 2 \cdot 08 \\ 6 & 10 \end{bmatrix}$		•••
5	218	6	Gold	Gravel	Brian Boru Gold- dredging Co., Ltd.	4 3.2	6 11.1	••	••
28	518	6	Gold	Gravel	Consolidated Goldfields of	14 1.7	4 3.6		••
4	90	6	Gold	Gravel	N.Z., Ltd. Consolidated Goldfields of	7 11	6 5		
4	167	6	Gold	Gravel	N.Z., Ltd. Consolidated Goldfields of	13 7	2 8		
16	388	6	Gold	Gravel	N.Z., Ltd. Dredging Developments, Ltd.	8 9	3 5	• •	
3	197	6	Gold	Sand and gravel		10 0	3 4	• •	••
49	4,260	6	Gold	Gravel		11 1	1 1		••
14	1,269	6	Gold	Gravel	Investigations,				In progress.
3	75	6	Gold	Gravel	Learmont and				In progress.
63	979	6	Gold	Gravel	Mataki Gold- dredging, Ltd.	7 9	0 6.7		••
1	901	$2\frac{1}{4}$	Gold	Andesite and quartz	Mining Trust and Finance, Ltd.	25 3	0 2.5	1 9.5	••
1	395	21/4	Gold	Andesite and quartz	Ohinemuri Gold and Silver Mines, Ltd.			••	In progress.
7	. 314	6	Gold	Gravel	Provident Investments, Ltd.	8 2	2 0		
135	4,219	6	Gold	Gravel	Rimu Gold-dredg- ing Co., Ltd.				In progress.
43	1,433	31/2	Gold	Gravel and schist	Unemployment Board				• •
20	628	$4\frac{1}{2}$	Gold	Gravel	Unemployment Board				In progress.
11	618	6	Gold	Gravel and clay	Unemployment Board				In progress.
3	1,444	23/8	Coal	Sandstone and con- glomerate	Puponga Coal- mines, Ltd.				In progress.
$_{2}^{1}$	171 246	2 2	Coal Coal	Coal and shale Sandstone and shale	Sparks and party Goldlight Co-op.	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	$\begin{bmatrix} 0 & 11 \cdot 3 \\ 0 & 6 \cdot 9 \end{bmatrix}$	$\begin{array}{ccc} 0 & 10 \cdot 4 \\ 0 & 5 \cdot 8 \end{array}$	••
2	320	2	Coal	Shale and sandstone	party Duggan and party	4 4.1	0 5.38	0 2.3	
440	20,827								

(3) Subsidized Roads on Goldfields.

The expenditure in the form of subsidies and direct grants upon roads on goldfields amounted to £1,051 18s. 10d., as compared with £766 13s. 8d. during the previous year.

The absorption by the Labour Department of officers of the Unemployment Board in no way interrupted the excellent work done by the qualified mining engineers who had been working for that Board, and they continued to render much assistance to the District Inspectors of Mines.

Through that assistance and the gradual lessening of work required of the Inspector at the Cromwell area, it became practicable to transfer one of the two Inspectors from the Southern district.

Mr. G. W. Lowes was transferred from Dunedin, where he had been assisting Mr. T. McMillan, to Reefton.

Mr. E. J. Scoble, who had been the Inspector of Mines stationed at Reefton, was then transferred to Waihi, where he relieved Mr. J. F. Downey, who was transferred to Wellington.

The duties of the West Coast Inspector have for some time past been gradually increasing in volume. To relieve an overtaxed but uncomplaining officer and to ensure full efficiency of the inspection work, it was decided to appoint a second Inspector for that district.

I desire again to acknowledge the very efficient help and co-operation rendered by all the District Inspectors.

1 have, &c., GEORGE DUGGAN, Inspecting Engineer of Mines