13 C.—2.

Towards the end of the year, the Labour Department, in collaboration with the Mines Department, made available the sum of £8,000, contributed equally by the two Departments, for the purpose of forming special prospecting parties to investigate the possibilities of areas in South Westland and for the investigation and development of the Reefton Goldfields. During December the first two parties were organized and commenced operations in South Westland.

An average of 1,873 men, excluding subsidized men employed by companies

and syndicates, has received assistance during the year.

The amount of gold won during the twelve months ended 31st March, 1937, by subsidized prospectors, excluding that obtained by subsidized companies and syndicates, was approximately 7,600 oz., making the total production from the inception of the gold-prospecting scheme to the 31st March, 1937, over 35,000 oz.

Ten mining engineers and other technical officers, including two geologists in charge of the South Westland special prospecting parties, are employed in addition to sixty-five supervisors, and expert advice and assistance are always available to

the men.

STAFF.

The only change amongst the senior members of the staff of my Department is the recent retirement of Mr. J. F. Downey, M.I.M.M., Inspector of Mines. Mr. Downey served the Department faithfully and well for a period of over twenty years and during his long service he earned the respect of the industry.

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.