C.---2.

With the continued decrease in the numbers of prospectors operating under the gold-mining scheme the technical and field staff has been further reduced, and for the latter half of the year the total number of engineers and other field officers engaged in supervising the Department's activities in this direction was twenty-five, including a Senior Mining Engineer under whose general direction and control the whole of the Department's mining operations were conducted.

The scheme was conducted by the Labour Department (Employment Division) up to the end of the financial year, but since the 1st April, 1939, its administration has been taken over by the Mines Department, under whose control it will be continued on much the same lines as has been the case in the past, except, of course, that all future expenditure in connection therewith will be met from the Mines Department vote instead of from the Employment Promotion Fund as previously.

A summary of the results obtained by special investigations carried out under the Labour Department's gold-mining scheme will be found in each of the reports of the Inspectors of Metalliferous Mines.

STAFF.

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 during the past year.