

Appendix to
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House of Representatives for the year 1865. A later report, however, does not seem to have been published, and the lapse of nearly four years has in all probability effected a very material alteration in the general condition of the gold field. From these reports I gather that very extensive belts of the earlier auriferous deposits are to be found throughout the Otago gold fields. Mr. Vincent Pike, the Gold Fields Secretary, after speaking of the discovery of a belt of this nature in Gabriel's Gully, and of others elsewhere, writes as follows:—"These discoveries, taken in connection with those referred to in my former reports, and with others of daily occurrence, prove incontrovertibly that gold is distributed in greater or less proportion over nearly the whole of that portion of the Province which lies to the eastward of Southland and Lake Wakatipu. Indeed, it is now quite impossible to say where gold does not exist throughout the vast area thus indicated, and it is beginning to be understood by practical men as a fact, that the only limitations are men and water. Any one of our numerous—I had almost written 'too numerous'—gold fields contains sufficient payable ground for the constant employment, for very many years to come, of a much larger number of miners than are scattered over the whole Province. With the present limited mining population, the desirability of further discoveries is to say the least problematical. In the fierce excitement caused by a new 'rush,' valuable claims and mining properties are recklessly abandoned, or disposed of for a mere trifle; and the result is generally the disturbance of that settled industry which in the long run always yields higher remuneration, with a larger degree of comfort, than is possible in the blind scramble for new ground, wherein it too often occurs that, for every individual who succeeds in securing a rich claim, ninety-nine fail to obtain ordinary wages." This report concludes as follows:—"The gold fields have now passed through that probationary state when their capacity and extent was a matter of theory, and their continuance a doubtful question. Time has afforded a certain and satisfactory solution to these problems; and if the results of unsystematic labour and individual exertion, uninstructed by experience and unaided by capital, have been thus far profitable, it is evident that richer and more assured returns may be anticipated now that a vast amount of available information has been acquired, and confidence, begotten of knowledge, has been productive of such permanent and extensive mining operations as those for which the gold fields of Otago are rapidly becoming famous."

This is surely sufficient evidence that the alluvial diggings of Otago are not yet exhausted, or likely to be for many years. Passing on to the separate reports of the Mining Surveyors for the different districts, I find that works of a very extensive character had been undertaken in many instances, and that more were projected; the only limits to the yield of gold seemed to be, as Mr. Pike expresses it, "men and water," or, as it might be more widely put, "men and money;" yet, with a field like this awaiting development, we find that already, in the beginning of the year 1869, the returns for the Otago gold fields have for some time past exhibited a steady decrease. Instead of the "men" so much required increasing in numbers, they are on the decrease, and the West Coast diggings have inflicted a serious injury upon Otago.

From what data I have been enabled to gather by the kindness of persons who are well acquainted with the West Coast diggings of New Zealand, I should judge that a very similar state of things existed there to that found in Otago. A considerable extent of country has been worked by individual exertion in an inefficient kind of manner, by which much gold has been lost; but workings on a large scale, where capital is called in to aid labour, are comparatively few. Nevertheless, there appears to be ample room for capital. My informants tell me that there can be no doubt of the existence of extensive alluvial deposits of an older date than those found upon the surface, and that here, as in Otago, "men and money" are the only requisites for maintaining or even increasing the yield of gold from these diggings.

Here again we find that the discovery of gold fields in other parts has resulted in a diminished yield, and that the reports from Queensland, and the opening of the Thames Gold Field, have been sufficient to draw away large numbers of the diggers.

Before remarking on the state of things we have found to exist on these diggings, it will be advisable that I should say what has to be said as to the prospects of a gold-mining industry of a still more stable nature than that of placer-mining being developed on the alluvial gold fields. I refer, of course, to quartz-mining.

With respect to Otago, the reports from which I have before quoted leave no doubt that payable quartz reefs run through the diggings of that Province. Mr. Pike says, "The existence of a well-defined and connected series of quartz reefs has been proved beyond a doubt by the discoveries of the last twelve months. Most of them contain fine gold generally diffused through the stone, and averaging from 15 dwts. to 2 oz. to the ton. Capital, encouraged by a liberal application of the Gold Mining Leases Regulations, is now being invested in these lodes, and there is now a satisfactory prospect of quartz mining becoming a profitable and extensive institution in Otago." As to what advancement this industry has made since the above report was printed, I am totally in the dark, and can merely refer again to the fact that the gross yield of gold from the field has fallen off, and the mining population diminished. The only fact of which I have any cognizance is this, that about July, 1868, a gentleman from Otago informed me that he could purchase a quartz crushing machine which had been erected for a mine in that Province, and could transfer it with greater advantage to the Thames Gold Fields than he could re-erect or dispose of it in Otago. I do not of course attach much importance to this item of information, but it may be thought worthy of mention, as showing at all events that quartz mining was far less profitable in Otago than Auckland.

On the West Coast this species of mining seems to have been entirely neglected. Nevertheless, judging not merely from the past experience of other countries, but also from the nature of the case, it seems to be a warrantable conclusion, that where there is an alluvial gold field of such richness, there are also payable quartz reefs. It is stated, moreover, in the small handbook which has been published as an accompaniment to Dr. Hochstetter's Geological Maps of New Zealand, that in the West Coast ranges lie the rich lodes which have supplied the Canterbury and Nelson fields with their alluvial gold. I do not suppose that this statement is made on any other grounds than a legitimate geological deduction from the evidence afforded by the alluvial workings. I have heard it stated by diggers from the West Coast, that the mountains of this part of the country are altogether too rugged to admit of