

plan showing the position of the batteries, will be found attached to "Further Papers relative to Water Supply, 1872." In alluvial mining, the number of steam engines employed was 10, and the aggregate horse-power 247. Thirteen dredging machines were employed during the year in working the new beds upon the Shotover, Molyneux, and Wakamarina Rivers. The fullest obtainable information respecting the number and description of machinery on the gold fields will be found in Tables Nos. 14 and 15.

MINING LEASES AND LICENSED HOLDINGS.

Six hundred and eight mining leases, covering a total area of 4,384a. Or. 19p. were in occupation upon 31st March, 1872; whilst in the newly opened reefing District of the Inangahua, one hundred and five applications, covering an approximate area of 1,000 acres were under consideration. Upon the Hauraki gold field, advantage has been taken within the last few months of the Gold Mining Districts Act 1871, and thirty-six Mining Leases have been exchanged for Licensed holdings under Section 118 of the said Act. When the present Leaseholders Miners Rights run out by fluxion of time, there is no doubt that most of the Companies upon the field will surrender their titles under the Gold Fields Acts for titles under the very liberal measure above referred to. Table No. 17 gives in detail the number and extent of Mining Leases in the several Districts.

AGRICULTURAL LEASES.

Thirteen hundred and thirty-eight Leases comprising an area of 50,119a. 2r. 5p. were in occupation upon 31st March, 1872. These are exclusively upon the gold fields of the Middle Island, and by no means represent the total extent of agricultural settlement; as full advantage has been taken by the settlers of Section 52 of the Golds Fields Act, 1866, which gives Leaseholders the right to purchase, subject to certain conditions, at the end of seven years from the date of their lease, and under which, especially in the Wakatipu and Tuapeka districts in the Province of Otago, very considerable areas have been converted into freehold. Table No. 18, gives the number and extent of agricultural leases within the several mining districts.

MINING COMPANIES.

From the official returns it appears there are 356 companies registered under the Mining Companies Limited Liability Acts, and forty-two under the Joint Stock Act; the former having a nominal capital of £4,839,771, and the latter of £804,025. Such particulars as I have been able to obtain relative to these companies will be found in Table 19, but there is little doubt that at least one-sixth of these possess no other entity than a name and registration certificate. A large number of companies registered under the Limited Liability Acts, have been wound up, or are now in the hands of the Official Agent in Auckland for that purpose. At present there is no information available with regard to them, but I understand that in future the Official Agents will be required to furnish the Government with periodical returns of the progress of their business.

RATE OF WAGES AND PRICES OF PROVISIONS.

The current rate of wages and average prices of provisions in the several mining districts will be found in Table 11. It will be observed that wages continue to rule exceedingly high, more especially in Otago and on the West Coast; £3 a week being about the average for the working miner. The price of provisions appears very slightly to affect this scale, and the curious anomaly is in most instances presented, of the ordinary labouring man receiving an amount for his week's work three times in excess of what it can possibly cost him for lodging and maintenance. I do not pretend to be able to solve this problem, but it is fast becoming a very serious consideration, how far the keeping up of what is essentially an artificial state of things in the labour market militates against the employment of capital in large mining operations.

Another point which naturally suggests itself upon examination of this Table, is that to some very important mining centres the communication with the ports must be very bad. The prices speak for themselves, and proclaim heavy rates of cartage and general difficulties of transport. In other cases, the enormous charges for the produce of the farm and dairy prove that agricultural settlement has been neglected, and consequently the opportunity allowed to pass by of fixing the miners to the soil by the inducement of homes and acres of their own.

The prices of live stock as returned by the Wardens and quoted in the table, run within such very wide margins as to be practically useless. These prices vary so much with supply and demand, and with the quantity of the great and small cattle, that nothing beyond a mere general indication of value is possible. Quotations of actual sales at various periods in the several districts would be the only possible reliable guide to a statistical result, and this I am not in a position to furnish at present.

EXPENDITURE UPON THE GOLD FIELDS.

I have previously called attention to the Tables appended hereto, which afford complete details of the gold fields revenue in the several mining districts, as brought to charge in the public accounts. This Revenue simply passes through the Colonial Treasury, and is at once paid over to the several Provinces in which it may have accrued, forming part of their general land fund, and available for expenditure by the Provincial Councils. This expenditure, therefore, forms no part of Colonial account; and no returns upon the subject, except such as may be furnished by the Provincial Governments, are available for the information of Parliament.

I have embodied in Table 20, hereto appended, an abstract of a return laid upon the table of the Provincial Council of Otago on the 20th May last, purporting to show the expenditure upon the