

WEDNESDAY, 27TH JULY, 1881.

The examination of Mr. McKERROW, Surveyor-General, adjourned from 14th July, was now resumed.

*Witness:* Speaking of the auriferous deposits, I will take the Ida Valley first. All along the base of the Rough Ridge gold deposits exist, and are now worked: they are worked at German Hill and in various other parts. A petition has, moreover, been presented to the Government from the miners, drawing attention to the necessity of reserving the whole of the flanks of the Rough Ridge down to the flat in the Ida Valley for mining purposes. The petitioners do not ask for the land to be set aside for mining solely but request that it should not be disposed of in freehold. Then, taking the Manuherikia Valley, there is a very valuable belt of country all along the base of the Dunstan Range, and known as Dry Bread, Tinker's, and Devonshire, extending right down to the Waikerikeri Valley at Clyde. The whole of the belt is auriferous, and I have no doubt it will be more developed in the future than it has been in the past. In fact the diggers are only now getting a knowledge of this country as they go deeper down. On the other side of the Manuherikia Valley there are considerable workings at Black's all round the flanks of the ranges. Then, coming down to where the Manuherikia joins the Clutha, the bed of the Clutha itself is exceedingly rich in gold, and at this moment two steam dredges are being built to work between Alexandra and the Town of Clyde. All along the base of the Old Man, on Earnslaw Run, there are very valuable deposits, and operations are being prosecuted now. There is a petition now before Government numerously signed by the people of Alexandra, and residents in the vicinity, most earnestly drawing the attention of the Government to the hindrances which would ensue to mining if Run 249, known as Earnsclough Station; Run 221, Moutere Station; Run 220, Galloway Station, and generally the whole of the basin, were disposed of by sale. It would simply ruin mining if the Government were to do anything but lease these runs again. To make the land freehold is, in their opinion, simply to shut up mining. Difficulties between freeholder and miner over freehold and riparian rights would ensue, and miners say their experience is that, unless the land is re-leased, mining will go to the wall. Taking the Clutha River next, from Clyde to Cromwell, there are miners working all along the Gorge, fossicking into the banks and getting very rich finds now and then; and I may say, in passing, that this is where Hartley and Reilly made their wonderful finds. All round the Kawarau, near Bannockburn, there are extensive workings. The Carrick Race has been brought in at great labour and cost, is paying exceedingly well, and is giving large numbers of miners the means of employment in washing out the auriferous leads. Following up the Clutha, above Cromwell, there is not much auriferous working to be met until we come to where the Cromwell Quartz Company have their reefs. The locality of the reefs is a district that will be very much developed in future: it is only a beginning, in my opinion, that has so far been made. Attempts have been made to work other reefs, but they have been abandoned, not from there being no gold there, but from want of sufficient capital. It is only a question of time when they will be worked. Following up the Clutha further, there never has been any extent of rich ground discovered above the confluence of the Lindis with Clutha River. Any miner fossicking up there can only make bare wages; no ground has been found of a nature sufficiently rich to induce extensive workings; but there is gold in the whole of the country up to Lakes Wanaka and Hawea, in more or less extent, but not in payable quantities. In the Lindis direction nothing much in the way of auriferous deposits have ever been found. Near McLean's station is the gold field discovered in 1859 or 1860—the first discovered in Otago—but the discovery of Tuapeka drew away the miners and they have not returned since. There is gold there, and it would probably pay wages of from 5s. to 10s. per day; but other parts of the gold fields are so much more valuable that this has not been taken up. The day will come, however, when miners will set in and work there. Coming back again to the Lower Hawea Valley, I may say that on the Fork Run, Campbell's, on Lake Wanaka, and up the west side of Lake Hawea, gold exists. Quite recently a rush took place to Long Gully, but it has fallen away, not fulfilling the expectations formed of it. Gold is known to exist at Quartz Creek, but in both cases is not sufficiently rich to warrant any mining setting in. Water can be brought on to these places. Coming to the Cardrona Valley, there are very rich deposits at the head of this valley. They happen to be very deep down, being evidently the remains of a former water-system of the country, but covered to a depth of fifty or a hundred feet. Several claims are working on these deep deposits. Lower down the valley the colour of gold has been found, but nothing else. It is suspected that a deep lead of gold extends down the valley, but it has never been followed up. My opinion is that it will be so very deep, and so much water will come in from the hills on both sides, that it is exceedingly unlikely that this portion of the valley will ever be worked. All round the base and flanks of the ranges gold is to be found in greater or less quantity.

231. *Mr. Bastings.*] Regarding the Earnsclough Run, do you think, in order to allow mining operations not to be checked, that it would be necessary to let all of it only upon lease?—I think so. We have opened a block on the flat recently for deferred-payment lease or agricultural settlement, which has taken up all the best of the land. I think that the remainder should only be leased. I may say, in a word, that it will be a very great mistake if all this auriferous country is not re-leased.

232. *Mr. Thomson.*] Would you indicate generally the land which may be alienated?—I think the country below the Lakes to Luggateburn, and between Grandview Range and Criffel, might be alienated—that is to say, the Hawea Flat and portion of the Fork Run, also portion of the Cardrona Valley around Mount Barker, and of the Upper Clutha Valley. The Mount Barker Block is opened. I would think it perfectly safe, and not likely to interfere in any way with mining, if all that country were opened for sale in freehold. It would give a large district the opportunity of getting populated.

233. How much land would there be in that area?—About 50,000 acres approximately.

234. *Mr. Shanks.*] How much of that would be good farming land?—I think about 30,000 acres. I have been astonished at the magnificent crops grown there.

235. *Mr. Bastings.*] Going up the foot of Lake Wanaka, you come to the Matakiki Valley?—The agricultural capabilities of this valley have been made a great deal too much of. There is a very nice piece of ground from the point where the Motutapu joins the Matakiki River; but I think its extent and qualities are exaggerated. There are 3,000 acres of beautiful level land, but it is liable to be flooded: an enormous range is just behind, a great deal of water comes down, and some of the land is saturated.