This system of working the alluvial drifts is not only attracting the attention of men in the locality, but also those residing in other colonies. Messrs. Moody and Davis, private bankers, in Melbourne, have embarked largely in mining ventures in the valleys of the Shotover and Arrow Rivers. In the former place the cost of their works and plant has, up to the present time, been about £8,000, and it is estimated that a considerable amount will yet be required to complete them. At the Arrow they have expended about £3,000, and it is probable that an additional £3,000 will have to be expended before the claim is in working order. When we see works of such magnitude undertaken by private individuals, and brought to a successful issue, we may reasonably anticipate that the day is not far distant when mining properties will be eagerly sought after, and plenty of capital will be forthcoming to develop and work them.

Again, at Tinker's and St. Bathan's, extraordinary values are placed on some of the mining properties; as for instance, a small water-race about two miles in length, and with only the right to seven sluice-heads, being purchased by the Undaunted Company, at Tinker's, for £10,800. At the same place Mr. John Ewing, an enterprising miner, has recently constructed a water-race and hydraulic plant at a cost of about £10,000, and during last year he only had enough water to enable him to work for eleven weeks; yet, in this period, he got sufficient gold to cover all the season's working expenses and 10 per cent. interest on the capital expended, whilst the average yield of gold per cubic yard of material moved was only about 2gr. This gentleman has two other claims in the vicinity of St. Bathan's, and from one of these he got 1,500oz. gold between the months of January and May of this year. It has been clearly proved by many companies, as well as private individuals, that by adopting improved appliances and a systematic method of working, mining enterprises can be made quite as remunerative as any other industry, and equally as safe an investment for capital.

DREDGING.

I now, Sir, come to the latest system adopted for working the ocean beaches, river-beds, and low-lying flats, where the ground is comparatively of a shallow depth. A large number of dredges have been constructed to work the ocean beaches and river-beds, many of which have proved successful in their operations; but the washing appliances in connection with these dredges have in many instances been of so defective a character that only a small percentage of gold in the material lifted has been recovered. Several descriptions of dredges have been employed, namely—the Centre Bucket, the Welman, Ball, and Von Schmidt dredges, as well as the Priestman Grab; but the Centre Bucket dredge is the favourite one for working gravel-flats and river-beds. All these dredges are, however, defective in washing appliances. The hulls or pontoons on which the dredging machinery is placed are too small to admit of good separating appliances and gold-saving tables being constructed. Improvements are being, however, made in these, and before long we may reasonably hope that this system of gold mining will be successfully carried on, and that the ocean beaches and river-beds will be made to yield up their hidden treasures. There are now a large number of centre-bucket dredges on the Molyneux, Kawarau and Shotover Rivers, and most of these are said to be profitable ventures. The latest one constructed is at the sand-hills on the Shotover River, which is worked by electro-motive force, generated about one and a half miles distant from the place where dredging operations are carried on, thus showing that our streams and rivers can be utilised as a power to generate this force, which can be transmitted long distances on a small copper wire to the place where machinery requires to be erected.

RESULTS OBTAINED FROM MINING INVESTMENTS.

Before concluding my remarks on the gold-mining industry it may be interesting to show the results obtained by mining companies throughout the colony. By referring to the tabulated statement in the Inspecting Engineer's report (*vide* pp. 53 to 57) of the gold-mining companies who have complied with the provisions of "The Mining Companies Act Amendment Act, 1890," by publishing a statement of their affairs, it will be seen that the total amount of subscribed capital in mining companies is £2,024,149; and of this amount, the value of scrip given to shareholders without any money being paid has amounted to £819,533. The actual amount of cash paid up is £496,754; whilst dividends have been paid to the extent of £593,066: thus leaving a profit on the working of £96,311—and it must be borne in mind that these figures include the paid-up capital in dredging companies, namely, £72,779, which have scarcely yet got any returns. It must be admitted, even by the opponents to this