

questionable if this will cause more mining to be carried on than heretofore, owing to the scarcity of water. The notice of the intention to proclaim this river a tailings-channel having been issued previous to my taking office, it was allowed to proceed; at the same time, it is questionable whether the amount of compensation already arranged for, and that which will still have to be paid, will be recouped from the revenue derived from mining in this locality. The quantity of gold obtained from this field last year was about 2,000oz., representing a value of about £8,000.

MOUNT IDA.

There is a large area of auriferous ground in this district, and a considerable number of miners at work in different localities on the field; but in general the ground is very poor, and the water-supply so intermittent that the miners can only make small wages. There is some very rich ground on the top of Mount Buster, but, this being at a high elevation, the claims can only be worked for about six months in the year. The quantity of gold obtained last year in this district, which includes St. Bathans's, was 12,276oz., valued at £49,380.

ST. BATHAN'S.

There are some very rich claims in the locality of St. Bathans's, where the workings are carried on in the old quartz-drift or granite-wash. A sludge-channel or tail-race has been in course of construction for the last five years, to enable the claims to be worked to a deeper level, and last year 450oz. of gold was obtained from the excavated material in the construction of this tail-race, which will yet take a considerable time to complete. To show the value of some of the ground in this locality, one of Mr. John Ewen's claims produced last year 850oz. of gold, having a value of £3,400, and only eight men are employed in working it. From seven claims in this locality 2,350oz. of gold was obtained, representing a value of £9,400.

TINKER'S.

The quantity of gold obtained from seven claims at Tinker's last year was 3,350oz., having a value of £13,400, and forty-four men were employed. This gives an average of £303 10s. for every man employed, which is by far the highest average wages on any gold-field in the colony. There is also a large extent of auriferous ground in this locality, but, all the available water being taken up, more claims cannot be opened. Every available stream is taken up that can be brought on to the ground at a sufficient elevation. To show the value that water is held at in this locality, during last year the Undaunted Company purchased the right of four sluice-heads of water from Shepherd's Creek for £1,250, and they will have to construct a water-race for a distance of about twelve miles to bring the water on to their ground.

TUAPEKA.

The mining claims in the Tuapeka District are scattered over an extensive area of country. Although this is the centre of a large mining district, there are very few claims in close proximity to each other. The principal gold-working in the immediate vicinity of Tuapeka is at the Blue Spur, where an English company is working the cement. They hold most of the water rights in the locality, and therefore have the key to the available ground. Last year this company obtained 3,470oz. gold, representing a value of £13,330; but as this was principally obtained from the tailings and alluvial drift leading into the cement, it gives no criterion of the amount of gold that will be got in working the cement by itself. The total quantity of gold obtained in the Tuapeka District last year, including the portion of the Clutha Valley within the Tuapeka County, was 29,557oz., having a value of £118,706.

CLUTHA VALLEY.

The Clutha Valley may be said to contain the most extensive area of rich auriferous-drift deposits there is in the colony. The beds of almost every stream flowing into the Clutha River contains gold, some of which have been remarkably rich. Most of the claims held in the valley of the Clutha are considered good mining properties, and likely to yield fair returns of gold by working them. The Island Block Company were not so successful last year as they were previously, but they have brought in a larger supply of water, so as to be able to work more hydraulic-elevators. The Island Block Extended and Roxburgh Amalgamated Companies are said to have fair ground, and likely to be good investments. Indeed, there are very few claims in this valley that cannot be made to yield fair returns if they have a good supply of water, and are worked economically and systematically.