

The Tuapeka Flat dredge (situated in the Tuapeka River, about two miles below Lawrence) has been working steadily for the last six months, with fair average results.

WAIKAIKAI.

The mining industry has been fairly active in this district during the last twelve months. Twenty-eight applications for special claims were lodged and eighteen were granted, besides 290 applications for other mining rights. On the 31st March last 936 acres were in actual occupation as special claims. The following are some of the principal claims taken up and works done during the year:—

The Sew Hoy Nokomai Company, who hold two special claims in the Nokomai Creek, have gone to considerable expense in bringing in a large water-race to their claims, giving employment to over forty men.

The Golden Terrace Company (a private one) have expended about £2,000 in bringing in a water-race from Mount Creek, and have placed a very good hydraulic-slucing plant on their special claim, situate about five miles from Nokomai.

The Argyle Hydraulic Sluicing Company (a private one) have been doing good work on their special claim on the Winding Creek, on which they have placed a most efficient hydraulic sluicing and elevating plant, the pipe-line being 4,800 ft. in length. They have also obtained all the necessary appliances for gold-saving of the latest description.

Messrs. McArthur, Kennedy, and Mears have been engaged in levelling and constructing a water-race about forty miles long from the Leathan and Waikaka Streams to work what is known as the Switzers Freehold, and I understand the property has been taken over by a very strong company, who evidently intend to develop the mine thoroughly.

A prospecting dredging claim has been taken up on the Waikaka River, at the Landslip, and a large dredge is now being built on the ground, at a cost of about £2,000.

WAIKAKA.

Mr. J. R. Perry has taken up a special claim of 40 acres, and has erected a dredge on the ground, at a cost of about £1,500, and he seems to be pleased with the result.

Mr. William McGill has also taken up a special claim at Waikaka, on which, I understand, he intends placing a dredge.

There are still two dredges at work on the Pomahaka River, but I understand they are not giving satisfaction, and it is with great difficulty that they manage to carry on operations.

I have, &c.,

ROBERT S. HAWKINS, Warden.

The Under-Secretary, Mines Department, Wellington.

No. 11.

Mr. Warden DALGLIESH to the UNDER-SECRETARY for MINES, Wellington.

SIR,—

Warden's Office, Naseby, 1st May, 1897.

I have the honour to forward herewith the usual annual statistics of the mining industry in the Mount Ida district for the year ending 31st March, 1897, and the following report dealing shortly with the various centres of the mining population is submitted for your information and consideration. Ere alluding, however, to any special locality, I may say, by way of premise generally, that the past year has been a most unfavourable one for mining operations throughout the whole district. Water—still the great factor towards success—has been lamentably scarce during what is looked upon as the working season—in fact, many of the oldest residents aver it has been the driest known since the opening of the field. My own observations lead me to think that estimate is correct. As a natural consequence, the industry, on the whole, has been seriously retarded, but, notwithstanding this drawback, I am glad to say no actual retrogression is apparent, and the miners generally appear to be determined to persevere, as hitherto, in spite of all difficulties. At the date of my last annual report the outlook for the year now under comment was most promising. An unusually large number of mining areas were applied for, and many of them have since been granted, and taken up for quartz, sluicing on the elevating principle, and dredging—in fact, a larger area has been granted than for many years past. Owing, however, to the great scarcity of water alluded to, and, further, to unexpected difficulties being met with in obtaining the necessary capital for developing the claims, through the depression in mining investments both locally and in Europe, but little progress has been made. Negotiations in this direction are still going on with regard to a number of the proposed undertakings, with promise of favourable issue. If that result is attained many very large operations will be commenced, and I feel assured that the predictions of success expressed in my last report will be quite fulfilled.

The subject exercising the minds of all miners perhaps more than any other has been the conservation of water, the acutely-felt want of it during the past year having naturally intensified the interest in the matter. I have constantly alluded to the question in my annual reports, and again consider it to be my duty to reiterate my recommendation that it may receive the earnest consideration of the Government, more particularly in respect to the long-talked-of reservoir at Eweburn. I feel satisfied that if that scheme were given effect to the results would be eminently satisfactory to the district, leading, I think, to a considerable accession to the number of miners on the field, and the development of large areas of ground which, I fear, will otherwise remain unworked and unprofitable.

From what I can gather, I think more prospecting has been carried on during the past year than for some time previously, and, although nothing of a very startling nature has been reported,