

not counting many hundreds of tons in feeding persons in the district who would otherwise have consumed large quantities of beef and mutton, which has been frozen and exported, bringing wealth and prosperity to our shore. The collecting of this quantity of fish gives good employment to about a hundred and fifty persons, who have among them about seventy boats. In addition to this, there are the oystering cutters, which usually take about three men to manage; their average take is about 6,000 dozen oysters per month, giving the oystermen about £7 per month (on an average) during the oystering season. There are about thirteen of these cutters, some of which are employed during the close season in general trading. Quantities of these oysters are sent to the neighbouring colonies, where they are easily sold. The oystering vessels are mostly built at Stewart Island, Riverton, and the Bluff, and not only does their building give work to a number of carpenters or shipbuilders, but it is the means of educating a lot of young shipbuilders, who vie with their elders in the producing of a vessel better adapted to the requirements of the industry, and more graceful in its lines.

MINING.

There has been more activity in mining during the last year than there has been for some considerable time back, most attention being directed to that comparatively unknown country lying between Dusky Sound and the Waiau River, Preservation Inlet at present being the centre of interest, where some good gold has been struck, the best in quartz. From one claim they are getting about £2,000 per month. This has been the cause of many prospecting parties going out in search of new fields. These parties are in many instances totally incapable of detecting the presence of valuable minerals unless they may chance to be in their plainest form, and therefore I would suggest that the Mines Department issue to the public leaflets (gratis) explaining some simple tests, or how to recognise different ores, and to learn their respective values. I feel confident that the expense would be trifling, and the knowledge would be of considerable value to both miners and prospectors.

FLAX.

This industry has been waning during the last three or four years. The amount of flax fibre now produced does not (in Southland) exceed 200 tons annually, giving employment to from thirty-five to forty hands. There are at present only two mills working, whereas eight or nine years back there were as many as nine or ten, giving employment to over two hundred persons. All the flax fibre prepared in this district is worked up into binder-twine by the local factory. The reason of so great a decrease in the production of fibre in this colony is from various causes, the principal one being the low price obtainable. The price now ruling leaves no margin for profit to justify the outlay for machinery, plant, &c.

Rumour has it that there is a movement on foot in the north to induce the Government to send a man home for the purpose of placing our fibre in the world's markets. If this were done it would be wasted money, and shows that the prime mover is not familiar with the fibre market. The want does not lie there. The first step is to make the fibre of a saleable character, carefully branded and classed after it leaves the mill, and under the supervision of some responsible person. Then a buyer at the market would know exactly what he was getting for his money, whereas at present, out of each 10-ton lot, there would be about ten different qualities mixed indiscriminately together, which makes buyers very shy of it, not knowing the percentage of good in it; and I believe that I am right in saying that in the best lots the quality is rarely if ever equal to the sample. Russia sells annually in the London markets something like eleven millions' worth of fibre, ranging in price from £16 to £40 per ton, according to quality. This is sold under certain letters, as known brands, which are fixed by or under Government supervision, and rarely or ever are the buyers cheated by finding their purchase not up to value. We in New Zealand grow a large quantity of this same fibre, which is equal, if not superior, to that of Russia. But we do not manipulate it. Here it is only grown for its seed, and every year the most valuable part of the plant is burnt. In Southland alone is burnt about 900 tons every year. If we were to follow the example of the Government of Victoria, by offering a bonus, I believe it would be the means of stopping this waste, and start a new source of revenue to this colony, which is climatically well adapted to the production of fibre of first-class quality.

SAWMILLS OR TIMBER TRADE.

This industry, although a source of considerable revenue at present, is slowly growing weaker every year, and at no distant date it will have ended its existence in this part of the colony, the bush having been all cut and burnt, or shipped away to other parts of our colony. The mills at present working number about twenty or twenty-two. They are much better equipped than in bygone days. Most of them are fitted with planing-machines, and can supply mouldings of any desired pattern. Each mill, on an average, will employ about thirty hands, who earn, on an average, about 7s. per day. The average output of each mill would be about 8,000 superficial feet per day. On the heels of the sawmills are the timber-working factories. The largest of these is that belonging to the New Zealand Pine Company. During the year this factory made eight thousand doors, seven thousand pairs of window-sashes, and about twelve hundred pounds' worth of furniture, besides doing a host of other work in connection with building fittings. They have good machinery, and turn out the best of work.

LEATHER.

Work in the shoemaking industry during the year has been very fair. Very few tradesmen have been out of work, and there are about a hundred in this town who make their living from this calling, and most of these work at either of the two boot-factories, particulars of which you will have.