

It may be said, and rightly so, that the alluvial fields are becoming exhausted, but if greater attention be paid to water-conservation and the maintenance of a more regular supply those fields should last for years to come.

DREDGING.

This method of recovering alluvial gold from the rivers, streams, and valleys containing accumulations of auriferous drifts, is being followed throughout the different goldfields in the Middle Island, and continues to be an important and profitable industry.

A large number of claims have been taken up in addition to those already occupied, and on which dredging operations are conducted. The continued improvement in the building of dredges and fitting them with the most suitable machinery, with buckets of greater capacity, has resulted in larger quantities being dealt with at lessened cost per cubic yard.

Material can now be dredged, washed, and the stones and tailings elevated and conveyed clear of the pontoons at a cost of from 1d. to 3d. per cubic yard.

The number of dredges now working in Otago, Southland, and the West Coast is about eighty, and others are in course of construction.

The value of the gold obtained by dredging for the twelve months ending the 31st March last amounted to £169,689, which was 61·4 per cent. of the value of the alluvial gold, and 14·5 per cent. of the value of the gold exported from the colony.

The gold obtained from thirty-six dredges, for the same period, was 21,173 oz. 12 dwt., which shows the highly profitable nature of dredging operations.

According to the published statement of affairs by dredging companies £65,218 were paid in dividends during the year 1898, but, as many of the dredges are owned by private companies, full information about their dividends is not available.

Dredging claims have been taken up in the Nelson and Collingwood District at Parapara and on the Aorere River; in Marlborough on the Mahakipawa and Wakamarina; on the West Coast on the Buller River and the Matakita branch; on the Nile and Totara Rivers at Charleston; on the Grey River, Teremakau, Greenstone, Arahura, Waimea (the Totara River near Ross); and on some of the beaches south-west from Okarito. Dredging claims have also been taken up on the following rivers in Otago: Taieri, the Hogburn and Kyeburn branches, Waipori, Tokomairiro, the Clutha and its branches, Waitahuna, Tuapeka, Manuherikia, Lindis, the Kawarau and its branches, Shotover, and Nevis. In Southland, the Mataura and its branches Waikaia, Waikaka, and Waimumu, Lake George and the Waiau River; and it is probable that, in addition to the number already built and working, further dredges will be provided to work claims.

DIVIDENDS PAID BY REGISTERED COMPANIES.

The total amount paid in dividends, according to the statutory returns published by registered mining companies in the *Government Gazette*, up to the 31st December, 1898, was as follows:—

Gold-dredging companies	...	...	...	...	£ 65,218
Alluvial and hydraulic sluicing companies	...	...	...	...	104,064
Quartz-mining companies	..	...	...	...	205,631
					374,913
Dividends paid by English companies,—amounts not shown in statutory returns	...	...	...	...	617,330
Total	...	...	...	...	£992,243

Of the above, £214,025 was paid by companies which were in existence prior to 1888; the balance, £778,218, was paid by companies that have been registered within the last ten years.