At Thames mining operations at the 1,000 ft. level have ceased owing to a dangerous influx of water and black-damp from the vicinity of the Moanatairi fault, and pumping has been suspended by the Thames Drainage Board, thereby rendering idle most of the mines on the goldfield. In the Waihi Mine at the 1,300 ft. or bottom level an improvement has taken place in the Martha lode, and sulphide-ore bodies are again to be seen, which is satisfactory.

On the Inangahua Goldfield there has been satisfactory development of ore at level No. 6 of the Blackwater Mine ; also in the New Big River Mine at a depth of 120 ft. below the tenth or 1,575 ft. level.

At Wakamarina, Marlborough, the Dominion Consolidated Gold-scheelite Mine continues to develop satisfactorily and produce satisfactory returns.

In Otago and Southland quartz-mining operations have not of late been very profitable.

ALLUVIAL AND DREDGE MINING.

There has been a considerable decrease in the gold-production from alluvial mines, the value of the output during 1914 amounting to £157,323 only, as against £295,704 during the previous year. Considerable fluctuations may be expected in the returns from a branch of mining which is greatly dependent upon copious and frequent rainfall.

During the year sixty-four gold-dredges in commission produced gold to the value of £191,112, and eleven of these the property of registered companies paid £23,080 as dividends. The profits of the privately owned dredges are not obtainable for publication.

During the past decade the gold-dredging industry has declined by about two-thirds in the number of dredges in commission and in the value of gold obtained ; ground suitable for dredging is gradually becoming exhausted.

The following statement shows the production of the principal dredges owned by registered companies :—

Name of Dredge.	Production during 1914.	Dividends declared.	
		During 1914.	Total to the End of 1914.
	£	£	£
West Coast, South Island—			
Worksop	14,602	6,150	41,850
Otago and Southland—			
Rise and Shine (two dredges)	14,723	4,800	39,900
Rising Sun	8,103	2,400	21,600
Earnscleugh (three dredges)	10,780	550	26,950
New Golden Run	9,293	1,600	2,000
Lower Nevis	3,166	780	2,040
Willowbank	4,922	2,400	6,000
Paterson's Freehold (two dredges)	3,435	1,500	21,600
Fifty-two other dredges	122,088	2,900	Unknown.
Totals	**191,112**	**23,080**	Unknown.

KAURI-GUM.

During the first seven months of the year and prior to the outbreak of war the kauri-gum trade had been good, most of the 8,473 tons, valued at £497,444, the export for 1914, having been produced during those earlier months. Subsequently the European market for gum became closed, with the result that considerable depression was experienced on the gumfields. To afford a measure of relief the Government, in terms of the Kauri-gum Act, 1914, has since purchased from the diggers gum to the value of £5,000 on the basis of prices ruling on the 1st July, 1914, the gum thus