C.-2.

Two other large all-steel dredges are now under construction, one at Arahura and the other at Ngahere. The Arahura dredge will be completed about August and the Ngahere dredge towards the end of the year.

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The Maori Gully dredge ceased operating in August, 1938, as the claim was worked out; and the Stafford dredge was holed by a submerged log and sank in March, 1938, becoming a total loss.

In the Southern district only six dredges were worked in 1938, the Bendigo dredge again being idle throughout the year.

A large all-steel dredge is under construction at Lowburn, in Central Otago, but owing to difficulty in obtaining delivery of the steel parts it will be some months before the dredge commences operations.

(3) ALLUVIAL MINING.

The following is a statement showing the production of, and dividends declared by, alluvial gold-mines during 1938:—

Name of Owner.	Estimated Quantity and Value of Gold produced.		Dividends declared.	
			During 1988.	Total to End of 1938
West Coast.	OZ.	£	£	£
Addison Exploration, Ltd.	190	1,164		
Addison's Flat Gold-mining Co., Ltd.	591	4.564	650	4,745
Giles Terrace Sluicing Co., Ltd	4	28		
Glenroy Gold, Ltd	9	63	.,	
Golden Sands, Ltd	295	2,427		7,167
Golden Valley Syndicate	95	691		1
Hohonu Gold-sluicing Syndicate	97	797		
Kumara Goldfields Syndicate	124	938		1
Lawson's Flat Gold-mining Co., Ltd.	24	181		
Moonlight Goldfields, Ltd.	1,192	10,485	1,486	2,477
Mount David Sluicing Co., Ltd	25	180		
Newton Flat Gold-sluicing Co., Ltd	8	50	1	
Totara Gold-mining Co., Ltd	32	201		
Waitahu Gold-mining Co., Ltd	558	4,274	1,333	1,333
All other claims	4,820	34,945		
Otago and Southland.				
Central Shotover Gold-mining Co., Ltd.	297	2,190		
Golden Arrow Mining Co., Ltd	203	1,478	1	2.200
Jones Nevis Sluicing Co., Ltd	83	640		813
Kildare Consolidated Gold-mining Co., Ltd	206	1,538		1,000
Macrae's Gold-mining Co., Ltd	1,420	10,442	1,500	9,000
Mining House Concessions, Ltd	111	907	1	
New Gabriels Gully Gold-mining Co., Ltd	195	1,463		
Nevis Sluicing Claims, Ltd	93	691		1
Nokomai Gold-mining Co., Ltd	1,239	9,067		
Paddy's Point Gold-mining Co., Ltd.	401	2,988	700	2,802
Round Hill Gold-mining Co., Ltd	1,767	13,870	6,000	21,929
Sandhills Gold-mining Co., Ltd	547	3,996	2,000	2,000
Short and Party, Ltd	112	827		
Skippers Ltd	20	140		
Sailors Gully (Waitahuna) Gold-mining Co., Ltd.	135	1,067		
Cuapeka Mouth Gold-mining Co., Ltd.	120	974		1,800
Vinegar Hill Hydraulic Sluicing Co., Ltd	167	1,210	150	1,200
Waimumu Sluicing Co., Ltd	23	186		
All other claims	4,726	34,924	• •	
Totals, 1938	19,929	149,586	13,819	Unknown.
Totals, 1937	27,142	200,024	14,683	Unknown.

In the West Coast and Southern Inspection Districts 1,374 men were employed at alluvial mining in 1938, as compared with 3,495 men in the previous year.

In the West Coast district the number engaged in alluvial work dropped from 2,131 to 858, and in the Southern district from 1,364 to 516. The 225 men in the Grey district alluvial mines produced 3,138 oz. of gold in 1938. In the Murchison district 160 men produced 1,417 oz., in the Buller district 76 men produced 853 oz., and in the Westland district 161 men produced 1,167 oz. of gold.

The three-compartment shaft commenced at Waikakaho in 1937 was completed in 1938, having been sunk in schist for 100 ft. A chamber has been formed at the shaft bottom, and a 300 ft. crosscut is to be driven to intersect the lead.

The drag-line plant which had been working on a bank of the Buller River was shifted in 1938 to an area at Maud Creek which had been unprofitable to work by manual labour. A paddock was stripped and cleared, but the test was not completed by the end of the year.

At the Waitahu sluicing claim 324,000 cubic yards of dirt of an average value of 4.37d. was treated in 1938.