

*Quartz Mining.*—In this branch of the mining industry I have little to say that is favourable of the past. The Gabriel's Gully Company, after a short term of prosperity and subsequent unremunerative working, sold their crushing machinery, and it has been removed to one of the claims on the Blue Spur. The reef they worked at one time with the promise of long success should not yet be condemned. It will no doubt some day be further prospected, and I believe with better results. A claim at the Canada Reef is the only one in the district which has been yielding gold during the year, but I have no definite information how far successfully it has been worked. The claims in the Waipori Reef promises to give an impetus to quartz mining in the future. The Waipori Company have just completed extensive preliminary works and operations in putting their claims into order for systematic working on a large scale. The machinery for crushing purposes is erected, and a water supply brought on to the ground to be used as a motive power, and all is now ready to start crushing.

Thompson and party, who hold claims in the same line of reef, have also just completed similar operations, and as the stone raised by both parties shows a good deal of gold, satisfactory returns should shortly be looked for.

*Water-races.*—The construction of three large water-races has been completed, and also some others of less importance. The Beaumont and Tuapeka Water-race Company, Registered, have entirely suspended all labour on their works for several months past. This company, which has been assisted by a loan under the Public Works Act, appears to have been started without proper consideration of its merits, and the management from the commencement has been the reverse of businesslike. I regret to state that there appears to be very little prospect of their proposed undertaking to construct a water race from the Beaumont to Tuapeka ever being completed.

*Gold.*—The quantity of gold remitted by escort during the year amounted to 19,744 oz., and this shows the large decrease of 8,639 oz. as compared with the preceding year. I find that I cannot satisfactorily explain how this has been occasioned. A decrease of population is one cause, a loss of time in those claims at the Blue Spur while erecting machinery is another, and a further cause is to be found in a temporary withdrawal of men from gold-producing while engaged in constructing the Waipori Channel. But with all this taken into consideration, the average earnings appear to be reduced from that of last year to a greater extent than I was prepared to discover. It must, however, be borne in mind that the majority of the miners in the district cultivate either large or small patches of land, and keep cattle, which occupations employ a considerable portion of time, and either add to their incomes or decrease their expenditure.

*Population.*—The number of miners has during the past year again decreased. On careful estimation, I do not think the number in the district is more than 900 miners, one-half of whom are Chinese. This shows a decrease upon last year's estimate of 150. Of this number, about fifty left at the time of the Palmer rush. None of the new arrivals in the colony now find their way to the gold fields, except perhaps an occasional one, who may be engaged in Dunedin for hired service. The total population of the district is about 5,000.

*Land Settlement and Agriculture.*—During the past year a considerable quantity of land has been thrown open for settlement in the Lawrence land district, but which extends somewhat beyond the gold field. Within the gold field an area of 27,000 acres was added during that period to the 40,000 acres which was available at the commencement of the year for application to purchase or lease. The manner in which the new blocks of land have been apportioned by breaking the continuity of the sections open for sale, by a judicious selection through the blocks of sections to be dealt with under the Deferred Payment system and the Agricultural Lease Regulations respectively, has effectually prevented the land falling into the hands of speculators. There is, however, an almost universal desire that the area of 200 acres, which is the full extent which may be taken up by any one person under lease or deferred payments, should be increased to from 400 to 500 acres, and I feel strongly convinced that where land is only in part fitted for agriculture, as is the rule in this district, any provision made to meet this general desire would be a wise one, and that with rough land, to be selected and classed for the purpose, the area could be safely increased to 800 or 1,000 acres. As the law stands at present, there are many who, by hook or by crook, will exceed the present limit of 200 acres, and as a consequence, to some extent, dummyism is not unknown, and is impossible to entirely prevent.

The following particulars respecting transactions in land will be interesting, and show the satisfactory manner in which people are settling down:—The land sold in the Lawrence land district, from 1st April, 1874, to 31st March, 1875, was 20,206 acres to 145 applicants. Certificates issued under the deferred payment system, thirty-one for 3,892 acres 1 rood 11 perches. Certificates issued under the Agricultural Lease Regulations, 102 for 9,022 acres 1 rood 17 perches. Under the three systems of disposing of waste lands, 33,121 acres have been alienated from the Crown during the past year. During the same period forty-three applications to purchase land held under agricultural leases for over three years, thirty applications to exchange for leases under deferred payments, and thirty-one applications to transfer leases have been recorded and assented to. That the eagerness to acquire land has not abated, is shown by the fact that applications to hold over 11,866 acres under the Agricultural Lease Regulations are now pending, and only waiting survey to be dealt with and occupied; and for twelve sections of land, 1,580 acres in all, lately advertised open on deferred payments, there are exactly 200 applicants, and whose claims will, therefore, have to be decided by ballot. I should, however, further explain that much of this land is of good quality.

The year has been a very favourable one both for agricultural pursuits and grazing. The crop of cereals is said to be quite equal to any before obtained here, and the consumers are reaping a benefit by a reduction in prices of from 30 to 50 per cent. upon those ruling a short time before harvest.

The amount of gold fields revenue received during the year was £6,075 19s. Fees and fines in the Resident Magistrate's Court, £405 2s. 3d.

The number of cases decided in the Resident Magistrate's Court is 355, and in the Warden's Court thirty-four cases.

I have, &c.,

E. H. CAREW,

Warden.

The Under Secretary for Gold Fields, Wellington.