

## No. 12.

Mr. Warden ROBINSON to the UNDER SECRETARY for GOLD FIELDS.

SIR,—

Warden's Office, Naseby, 31st March, 1875.

I have the honor to report as follows upon the Mount Ida district for the past twelvemonth.

1. Mining industry may be said to have been rather languishing in this district during the past year. In this respect the Mount Ida district has not been singular. The depression in mining affairs has apparently been pretty general throughout the colony. The causes of this depression are not far to seek. One of these causes is necessarily inherent in the nature of gold mining. I refer to the fact that, as gold mining is a destructive process, the time must arrive when any particular claim must become worked out, and what happens to particular claims will in the course of years occur to entire localities, that is to say, they will be exhausted of their treasures, and finally deserted. But the falling off in mining in this district, and, I may say, in Otago generally, is not so much due to the auriferous ground being exhausted as to the mining population having been induced for a time to leave gold mining for other work. The numerous public works going on in various parts of the country have drawn men from mining, as well as from other branches of labour, by the prospect of high wages and constant employment. This has caused a very noticeable reduction in the number of men engaged in mining, and a consequent falling off in the production of gold. But although the falling off both in population and yield of gold has been decided, and has been severely felt by the mercantile community, I do not think there is any cause for alarm. The escorts show over 17,000 oz. from this district as against 19,000 oz. for last year, and it is fair to estimate that at least one thousand ounces have been procured which have not gone to swell any escort returns. For example, there is no escort from Maerewhenua—all the gold from that field finds its way to the Oamaru banks by private hands. Thus, although the yield of gold is on the whole less, it may be fairly assumed that the earnings of individual miners have undergone no diminution. Moreover, if the gold is not taken now, it is left to be obtained in future years; and perhaps a season of slackness in mining may promote in an indirect way the permanent settlement of the country, by inducing people who would otherwise be making an easy living by supplying the wants of the miners to seek other roads to wealth, by developing resources which in brisker times were not regarded.

2. In the Maerewhenua division of the district the construction of water-races has slowly proceeded, and the claims opened have been wrought when water was available. But the yield of gold has been but small, and the population has rather diminished than increased. Of course the water-races are valuable properties. The quantity of auriferous ground commanded by them is practically unlimited, and the only possible change in mining affairs will be for the better. But the Maerewhenua must always be a very quiet sluicing district, giving indeed steady and continuous returns from ground once fairly opened, but where few new claims will be opened from year to year.

3. Some of the Maerewhenua miners have petitioned the Provincial Government to repurchase about 1,000 acres of land on the west side of the Maerewhenua River, which was sold long before the discovery of gold in the neighbourhood. This land, with frontage to the river, intervenes between some of the best sluicing ground and the Maerewhenua River. Thus the claims can only be worked by running tailings through the private property, and in course of time the lowest lying portion of the ground must be covered up with the waste of sluicing if the workings continue. Up to the present time the owners of the land have put no great obstacles in the way of the miners, but it is felt that at any time a dead-lock may be brought about if those who own the outlets find it necessary for their own protection to forbid the sluicers to run any more tailings on to their property. It is not improbable that the difficulty may be got over by the Provincial Government giving the owners other lands in exchange.

4. The water-race of Botting and Co., from the Kakanui River, is noticeable as being the only one in this district the owners of which have availed themselves of the offer of the Government to lend money out of the sum appropriated for promoting water-supply on gold fields. This race has not afforded a very encouraging example of the working of the system of Government assistance by loan. The delays and expenses necessarily incurred in preliminary inquiries and surveys, to satisfy the Government of the *bonâ fide* character of the application for a loan, and the cost of inspection from time to time as progress payments are required, have largely detracted from the benefit of the Government assistance. It would undoubtedly have paid the race-owners better to have obtained an advance from private capitalists at a much higher rate of interest than that charged by the Government. No doubt, the smallness of the amount borrowed has in this instance caused the expenses to seem disproportionately heavy. It seems evident that so elaborate a plan can only be worked to advantage in the case of large loans, to which, no doubt, it is well adapted.

5. At St. Bathans, the Otago Company have at last completed their large race from the Manuherikia River. This company has shown a most admirable example of pluck and self-reliance. They now reap their reward in the shape of the possession of one of the finest mining properties in the country. Another important work at St. Bathans, known as the "Muddy Creek Channel," is advancing slowly. This is intended to provide an improved outlet for all the extensive area of golden ground for which Muddy Creek is the natural drain. The work is being done by a private company for the reward of a special grant of ground.

6. Quartz mining has never prospered in this district; yet there are many reefs known to contain gold, and companies have from time to time been formed to work them, but in no one instance with success. At present there is only one machine at work—that owned by Mr. Withers at Rough Ridge. It is remarkable that there are a number of reefs at Rough Ridge which gave splendid prospects, and for the working of which different companies have gone to great expense. One after another they have failed, the latest instance being that of the Energetic Company, the machinery of which was recently sold to Mr. Withers. Strange to say, this person, who has long been resident at Rough Ridge, seems to be able to make money by mining where companies, with all the advantages of subscribed capital and professional management, have only made losses. The natural conclusion is, that