

in the case of the companies the profits were swallowed up in expenses or lavished in costly experiments, and that, in fact, the failure of quartz mining, as a rule, has been due to the want of judgment with which it has been carried on, rather than to the poverty of the reefs. So satisfied are some of the residents at Ida Valley of this, that they have formed a local association to give a fair trial to the Blackstone Hill Reef, which for many years has been deserted; while at Rough Ridge Mr. Withers is cautiously but steadily applying himself to the opening out of more than one long-abandoned reef. In like manner, at Shag Valley, I am given to understand that it is probable the mine of the Shag Valley Freehold Company will be taken in hand by a new company, who hope to make a profit from what, to the present proprietors, has only been a source of loss.

7. This slight reaction in favour of quartz mining may, in part, be attributed to the visit of Mr. Ulrich, Consulting Mining Geologist, from Victoria. This gentleman, at the request of the Provincial Government, made the tour of the gold fields of Otago, specially with the object of inspecting the quartz mines. His report has not yet been published, but the remarks he let fall, at some places where he visited, tended to convince people that the failure of some of the experiments in quartz mining had been, at least in part, due to positive loss of gold, which, with proper appliances, might have been prevented.

8. The taking up of lands for farming purposes has been going on rather briskly of late in various parts of the district. Blocks have been thrown open under the agricultural lease system in some cases, and in others upon deferred payments. It is much to be regretted that the obstacles to the occupation of land for agriculture have been so great and so enduring. It is notorious that numbers of persons, who have made money by mining and would have settled in the district if they could have got land, have, during past years, gone away disgusted, in many instances taking their capital and industry to other colonies. Until the last year or so, the only way for a man to get a piece of land to cultivate in this district was to make an arrangement with the pastoral tenant, by which he should be allowed to fence and occupy a few acres without being molested as a trespasser. But this gave him no title, and but few people were found willing to go to the expense of improving land upon such a tenure. In the meantime, the district, for want of local production, languished under the evil of high prices of the necessaries of life. The mining interest was especially a sufferer, the high cost of living making it impossible to work any but comparatively rich ground. When, at length, some small blocks of land were thrown open for settlement on the agricultural-lease system and on deferred payments, they were eagerly taken up, and already a number of small farms are being formed in various parts. One block of about 3,000 acres, near Naseby, was half taken on the first day that applications could be received. The areas of land now held on agricultural leases and deferred payments, respectively, are as follow:—

	A.	r.	p.
Agricultural Leases
Deferred Payments
	9,756	1	10
	2,219	3	5

A considerable portion of the land on agricultural lease is held by runholders in large blocks, but the land on deferred payments is held in sections not exceeding 200 acres; the total area held being divided among nineteen persons.

9. I have already remarked upon the high cost of living. This still continues to be felt as a serious impediment to progress; but it is to be hoped that before long the produce of the farms will be coming to market, and that more moderate prices will prevail. The benefit of the cheapening of the necessaries of life will not only be felt in mining but in every other class of industry.

10. It is with great regret that I have to notice in this report that the Mount Ida Public Works (head-race and sludge channel) are yet unfinished. Two years ago I was able to report that ten miles of the head race were constructed, and it was then confidently expected that both works would be ready within another year, but so many delays have occurred that it seems likely another year yet may elapse before these works are finally taken over from the contractors. In connection with the head race a fine dam is being made in Coalpit Gully, near Naseby. This will no doubt greatly increase the usefulness of the race. The sludge channel is being brought up at a slightly lower level than that originally proposed, the object being to have it deep enough to serve for the working of a large area of known good ground in the Hogburn Gully, below Naseby, which could not have been got at with the channel at the level as first surveyed. As this will render it more expensive it is understood that the works are to be stopped at some distance below Naseby, whenever the money appropriated for the work is expended. But it is generally hoped and expected that provision will be made for continuing it up to Naseby, as if that is not done it will be comparatively useless, and the heavy expense already incurred may almost be said to be wasted.

11. Notwithstanding the hard times for the district, the revenue for the year shows a decided advance upon last year. The total amount of revenue collected at this office for the year ending March 31st, 1875, has been as follows:—

Gold Revenue, including Fees and Fines of Warden's Court	...	£2,408	14	8
Resident Magistrate's Court Fees and Fines	...	289	2	8
		£2,697	17	4

This does not of course include moneys received for lands on deferred payments.

I have, &c.,

H. W. ROBINSON.

The Under Secretary for Gold Fields, Wellington.

Warden.

No. 13.

Mr. Warden WOOD to the UNDER SECRETARY for PUBLIC WORKS.

SIR,—

Warden's Office, Switzers, 23rd April, 1875.

I have the honor to forward herewith statistical returns and annual report of the districts under my charge for the year ending 31st March, 1875.