H.—26.

man. As a rule, the alluvial miners are hatters—or masters—and are consequently satisfied with much less returns than the wages man, who demands £3 a week for having to obey orders as well as work

Quartz-reefing at Macetown is the most important industry in the district; and it is now settled by experienced reefers that we have in view work for our present population, doubled in numbers, after next winter, for many years. I say "in view," because the reefs have been laid bare, thickness of walls and quality of gold-producing quartz measured and proved to such lengths that calculations have been made as to the time it will take to stope out and crush the stone. Leaders and blows have been distinguished from main reefs, and the proper directions for driving in the several claims ascertained. A knowledge of what may be expected from certain claims for two or three years hence—the principal of which are the Homeward Bound, Tipperary, Gladstone, and Maryborough has been ascertained sufficiently to encourage the shareholders (many of whom are men of considerable capital) to erect machinery, construct trams and easements, and pierce tunnels, at a large outlay. By this it may be seen that, since my last report, very considerable progress has been made in this locality. During the past year the reefs have been visited by great numbers of persons, interested and otherwise, who have, I believe, expressed themselves as very favourably impressed with the general appearance of things, and look forward hopefully to a grand future for the quartz-mining industry of Macetown. It is the opinion of every one journeying to the reefs that a good dray-road from the Arrow is much needed to assure the permanent success and settlement of the place. I am informed it can be constructed for about £7,000. The present system of packing everything required, besides its inefficiency for the requirements of the reefs, is a tremendous tax upon the resources of the mining companies. Ministers, when here, held out hopes of assistance in this matter from the General Government, and, in doing so, fairly enough remarked that the county government, in view of the additional revenue to be derived by it from the construction of such a road, should show its confidence in the resources of the district by initiating the work; and doubtless the General Government would then give it substantial aid. It is to be hoped the Council will take action at once in this matter, and secure the advantages of a cheaper and speedier development of the mines at Macetown. Three new crushing batteries have been erected or completed during the past year—one of ten heads of stampers by the Tipperary Company, and one each of five heads by the Homeward Bound and Maryborough Companies; so that the crushing-power now on the field consists of five batteries, with thirty-four heads of stampers. With the exception of four heads of the All Nations Company's, they are all fully employed, and ten additional heads are in course of erection at the Homeward Bound and Maryborough batteries. Crushing operations will probably be suspended from June to September, during the severity of winter; but it is intended to prosecute underground work in several mines throughout the year; and this course would become general if the road already spoken of was constructed. It will be needless to recapitulate the names of the many mining companies in operation; it will suffice to mention that nearly all those enumerated in my last report have been steadily prosecuting work. There have been no abandonments, and, so far as I can learn, no fresh discoveries; but, if the energies of the miners are properly directed to those already in hand, there is, in all probability, sufficient work to engage the attention of the present generation.

The Public Crushing Company has been reducing stone all the season for the Tipperary Company, which company's new battery has, since November last, been engaged in similar work: about 3,050 tons have passed through the mills, yielding an average of 1 oz. 2 dwt. per ton. There appears to be no diminution in the dimensions of the reef, and many years' work with similar results may be confidently anticipated. The total yield of gold from quartz in this locality for the season to date is 4,317 oz. Before winter sets in it is expected that a large crushing each from the Ladye Fayre and Gladstone Mines will be accomplished at the Public Battery, distant two and a half miles; but this is only contingent upon the completion of a dray-road now being constructed by the county up the Twelve-mile Creek to the locality in which these and several other good claims are situated. The Maryborough Company is also busy crushing, and will contribute good cakes of gold before stopping

for winter.

The Main Lode Company is driving a main level below the summit of Advance Peak, 5,800 feet above sea-level, and is making preparations for a winter campaign in this inhospitable region. It is

to be hoped success will attend this spirited undertaking.

Prices have not varied since my last report, and are not at all likely to come down until the aforesaid road is constructed. They are as follows: Mining props, 5 to 8 inches in diameter, 1s. per foot; laths, 6 x 2 inches in diameter, 4s. each; sawn timber (colonial), £1 17s. per 100 feet; firewood, £8 10s. per cord; coals, 15s. per cwt.; lignite, 7s. per cwt.; blasting-powder, 1s. per lb.; Fuse, 1s. 2d. per coil; candles, 1s. 2d. per lb.; packing from Arrow, £3 5s. per ton; carting heavy material, £6 per ton. There are employed on the field, in mining, at the mills, on roads, and at packing and carting, about 110 men. Wages rule—for mining or battery managers, from £4 to £8 per week; miners, £3 (eight hours); packers and drivers, £2 to £3 per week; and mill-feeders, 1s. per hour. There are few, if any, mechanics regularly employed.

Adverse criticism of the management of the mines and companies still continues, and has certainly had good effect in some instances. Doubtless the desultory employment, in consequence of stoppages during winter, and the low pay accorded, has hitherto been the means of keeping competent men away; but, as the field advances and work becomes more steady and regular, this matter will cure itself, no doubt: then we may fairly hope to see Macetown take rank amongst the most permanent

and productive of our gold fields.

Upper Shotover.—Mining in this portion of the district has not improved much during the past year, as far as regards gold escorts from quartz reefs or alluvial claims. There have been two discoveries near the Branches, which have led to the granting of 'two mining leases. In this neighbourhood were found two nuggets, one weighing 15 oz. 16 dwt; and the other 2 oz. 14 dwt. These are substantial signs of quartz reefs and gold in the vicinity, but not to justify more than further prospecting by a few men. The New Nugget and Cornish Reef Claim, about which for several years past I have been able to report only upon expectations, has at last, under new auspices, made a successful start; the manager