H.—19. 36

Serpentine.—The interest centres mainly on the quartz workings, which seem at length to be developing into an important industry. There have been so many disappointments in quartz mining in Otago that I hesitate to express any very sanguine hopes as to the prospects of the Serpentine reefs. There have been some very encouraging trial crushings, and claimholders and their friends have great expectations, but it will take at least another season before it can be said that quartz mining as a paying business is fairly established at Serpentine.

Macrewhenua.—Beyond a small increase in the number of miners there is nothing particular to note at Macrewhenua. It is generally thought that mining has on the whole been paying rather better

about Maerewhenua, but there are no signal instances of success to record.

I enclose the usual statistical returns. You will observe that some of these are not filled up, the reason being that the information has been included in general returns furnished from the Naseby office, where all the records of the whole Mount Ida District are kept together in one set of books.

I have, &c., H. W. Robinson,

The Under-Secretary for Gold Fields, Wellington.

Warden.

No. 19.

Mr. Warden McCulloch to the Under-Secretary for Gold Fields.

Invercargill, 1st May, 1882. SIR,-I have the honor, in compliance with circular No. 95 of 21st February, to forward the annual statistical returns for the Orepuki and Longwood District for the year ending 31st March, 1882. Owing to the recent destruction of the Riverton Courthouse by fire, and the consequent loss of all the records of the office, some of these returns can only be regarded as approximate, but they are based on as close an estimate as it has been possible to make under the circumstances.

The condition and prospects of the workings in the district remain much the same as at the date of my report last year. At Orepuki there is no change of importance in mining operations; the development of the fine coal seams known to exist in that locally being still delayed till the completion of the railway from Riverton to Orepuki, which is now being pushed forward by the contractors. This line when finished will also greatly accelerate agricultural settlement in the district. Up to this date over 6,000 acres have been taken up by cash purchasers, and on deferred payments, along the course of the line and in its vicinity.

Round Hill.—The Chinese population has increased from 270 to about 500, most of whom, judging from the information I have been able to obtain, are earning good wages. These workings have increased considerably during the past year, extending to the westward. The want of water, long complained of at Round Hill, will soon be relieved by the bringing in of the water-race now in course

of construction by Messrs Bernstein and Co.

Longwood.—Operations on the Longwood side, I regret to say, are still in a state of stagnation. Neither the Longwood Reefing Company nor the Geelong Company have resumed work during the past year. Of thirty-two mining leases in force at 31st March last year, fourteen have been cancelled, six may be considered to have been abandoned, leaving twelve in force at this date, of which in all probability the greater part will shortly be cancelled. There are, however, some miners still working in this locality, and occasionally small parcels of heavy gold are obtained, but although it is probable that some of the cancelled leases will be re-applied for, operations as yet are conducted in so desultory a manner, that they do not warrant any conclusion as to the ultimate success of this field.

I have, &c.,

HY. McCulloch, Warden.

The Under-Secretary for Gold Fields Wellington.

WATER-RACES.

No. 20.

Mr. H. A. GORDON, Manager of the Nelson Creek Water-Race, to the Under-Secretary for GOLD FIELDS.

SIR,-Greymouth, 5th May, 1882. I have the honor to submit my annual report on the transactions connected with the working of the Nelson Creek Water-Race during the year ending 31st March, 1882.

The revenue derived from sales of water has been £2.191 12s. 11d., and the expenditure on main-

tenance £1,355 13s. 6d., thus leaving a balance of £835 19s. 5d. of profit on the working of the race.

The approximate amount of gold obtained during the year by the miners who were using water from the race has been 3,808 oz., representing the value of £14,565 12s., and the average number of miners employed has been 6.7. After deduction the value of £14,565 12s. miners employed has been 67. After deducting the sales of water from the value of gold obtained, it leaves the average earnings of the miners to be £184 13s. 8d. per annum, or £3 11s. per week.

The maintenance of the race has consisted of turning on and off water to the miners who are using it, repairs to bridges and flumes, and the ordinary work of maintenance, including supervision. There has likewise been a good deal of extra repairs caused by slips at various times during the year, and about 16 chains of tunnelling has been constructed through narrow spurs, to avoid the places where

There has been no new payable ground discovered during the year that the race commands, although a good deal of free water has been given for prospecting, but the demand for water is slightly on the increase, owing to the large quantities of tailings that are accumulating, which causes the fall or working the ground to get gradually less, and therefore requires more water to work it.