

market for their ore in Germany, where the only purchasers could be found for this mineral at that time. This induced them to erect machinery to dress the ore; but on sending Home again they found that the market was very limited, and the price then obtained would not pay the cost of transit, shipping charges, &c., so that they suspended operations. Recently, however, several inquiries have been made to the Mines Department by London and Liverpool merchants for this mineral, offering £12 and £14 per ton for ore containing 40 per cent. of scheelite. The same thing takes place in starting any new industry which is depending on foreign markets. It takes a considerable time to get it firmly established, and, unless there is an abundance of capital to work on, it is generally the second and third parties who reap the reward of the original prospectors' labours.

The total value of gold, silver, metalliferous ores, and other minerals, including kauri-gum, that have been obtained in the colony since the 1st January, 1853, up to the end of December last, amounts to £57,383,520: of this sum gold has been obtained to the value of £47,433,117; silver, £140,148; copper-ore, £17,866; chrome-ore, £37,367; antimony-ore, £41,140; manganese-ore, £53,925; hæmatite-ore, £226; unclassified minerals, £69,041; coal exported, £506,958; coke exported, £17,899; coal, the output of the mines and consumed within the colony, £3,234,090; and kauri-gum, £5,831,743. During the last year ending same period the value of the mining produce was: Gold, £1,007,488; silver, £5,151; copper-ore, £4; antimony-ore, £4,950; manganese-ore, £2,634; other minerals, £7; coal exported, £91,173; coke exported, £3,658; coal, the output from the mines and consumed within the colony, £288,565; and kauri-gum, £437,056: making a total value of the mining produce last year £1,840,686, as against £1,524,794 for the former year, showing an increase in the value last year of £315,882, as will be seen in Table I. annexed, while Tables III. and IV. will give the districts from whence the minerals were produced.

GOLD-MINING.

In referring, Sir, to this branch of the mining industry it is very gratifying to me to mention that, unlike the Statements of several previous years which showed a falling-off in the yield of gold, there has been a large increase in the production last year. The quantity and value of gold entered for exportation for the financial year ending the 31st March last was 276,535oz., representing a value of £1,107,177; while for the former year it was 171,080oz., valued at £685,321; showing an increase last year of 105,455oz., and £421,856. This large increase in the quantity exported is to some extent due to gold being held by the banks pending the abolition of the gold duty, which took place on the 1st April, 1891. By reference to the Customs returns it will be seen that this is patent in the case of gold exported from Otago during the quarter ending 31st March, 1891, which only shows the export to be 64oz. Taking the other districts affected by the abolition of the duty, the quantity exported from the West Coast was 20,092oz.; Marlborough, nil; and Nelson, 80oz.: making the total quantity exported from all districts affected by the abolition of the gold duty during the March quarter 20,236oz., representing a value of £80,934. In order to arrive at the quantity and value of gold held back which ought to be included in the previous year's return, the average for the four quarters previous to the 1st January, 1891, that is the quantity and value exported from these districts during the year ending the 31st December, 1890, divided by four, will give a very close approximation of the quantity that ought to have been exported during the March quarter of 1891. If anything, it will give slightly more to the credit of the March quarter than it really would have been, as that quarter was very dry both on the West Coast and in Otago, which prevented hydraulic-sluicing operations from being continuously carried on. Taking therefore the average of the four quarters referred to, it shows that the returns from Nelson should have been for the quarter ending 31st March, 1891, 714oz.; Marlborough, 1,518oz.; West Coast, 22,274oz.; and Otago, 15,852oz.: making a total of 40,350oz., representing a value of £161,906: showing that 20,122oz., valued at £80,972, should be credited to the previous year's produce, and deducted from that exported last year, which makes the actual yield last year to be 256,413oz., representing a value of £1,026,145, as against 191,202oz., valued at £766,293 for the previous year; thus showing the actual value of the increased yield last year to be £259,852. Taking the production of gold from the different districts last year, the West Coast contributed 45·2 per cent.; Otago, 35 per cent.; Auckland, 15 per cent.; and Marlborough and Nelson 4 per cent. It is also gratifying to find the increased yield was from every gold-mining district in the colony; the increased production being from Auckland, 1,894oz.; Marlborough, 4,687oz.; Nelson, 3,691oz.; West Coast, 31,366oz.; and from Otago, 63,816oz.