

by many, as, should success follow the undertaking, not a few claims will be worked which, from want of water on the surface, are at present lying idle.

Since my last report the Commissioners' Flat Company has had to engage the services of a liquidator, and this unfortunately before the shareholders had been given the satisfaction of knowing whether their claim was payable or not. It seems to me that in a great many instances directors do not exercise a wise discretion in the selection of managers. Local influences, no doubt, have something to do with appointments occasionally, and the interests of shareholders too often sink in favour of individual profit and friendly sympathies. Whether this be the case or not, experience goes to show that many promising and valuable properties are often abandoned as non-payable, and companies thrown into liquidation, through the want of experience and utter incapacity of the managers.

An extensive plant was erected by this company, including a substantial bridge to conduct the water by means of pipes over the Clutha, and, although many thousands of pounds were expended in the work, the liquidator only succeeded in realising £1,200 for the property, which included rights for forty heads of water from Shingle Creek, the Molyneux Hydraulic Company, at Alexandra, being the purchaser.

There are several parties sluicing on the banks of the river on both sides, from Coal Creek to the Island Block, nearly all of whom are owners of water-rights. The old system of sluicing in all instances is the method adopted for extracting the precious metal; and, although this seems a slow process after experiencing the wholesale demolitions of the hydraulic companies, the operators themselves seem quite satisfied with the results of their individual efforts, and so long as fair wages are obtainable have no inclination to forego the certainty for the precarious percolations from the coffers of a company directory.

*Dredging.*—Since October last, and up to within two or three weeks ago, the Dunedin Gold-dredging Company's dredge has been laid up for the purpose of having some necessary alterations effected. These have now been completed, and dredging has recommenced. The hull is 80ft. long, by a width of 15ft., and a depth of 16ft.; the pontoon is the same length as the dredge, by a width of 64½ft., and a depth of 4ft.; while the ladder, which hitherto was too short to get at the deep ground, is now 60ft. long, has thirty-three buckets, each having a holding-capacity of 3 cubic feet, and is capable of dredging to a depth of 39ft. from the water-line.

This company has a good claim, as may be judged from the following return: Between the 1st August and the 5th October last year, when the dredge was laid up for alterations, the washing-up resulted in a yield of 1,035oz. of gold for fifty-three days' dredging, out of which the company was enabled to pay £3,600 in dividends, or 8s. per share.

This company has, I understand, purchased the small dredge which has been for some time working unsuccessfully at McCunn's Beach, and it is now being removed to Coal Creek, where it will be occupied in prospecting.

The returns of the Ettrick Gold Steam-dredging Company have not been quite as good as was first expected. That company commenced operations in September last in the Clutha, near Ettrick; but, owing to faulty machinery, much delay has been incurred. Despite all drawbacks, however, the yield of gold has averaged about 12oz. a week, which leaves a fairly good surplus after paying working-expenses, amounting to about £100 per month.

The Miller's Creek Dredging Company has had considerable difficulty with its tailings for some time past, but this trouble is gradually being overcome as the dredge works into the bend. The returns up to now, although not sensational, are still large enough to leave a balance after paying working-expenses.

The Golden Run Dredging Company have just completed a new steam-dredge, at a cost of £2,000. The hull is of timber, the frame being blue-gum, while the planking is of kauri. The company's claim is in the Clutha, at the upper end of the Island Block, and it is expected that dredging will be commenced in a week or two. The Roxburgh Gold Steam-dredging Company have recently let the contract for the machinery of their new dredge to Mr. McQueen, of Dunedin. The company's claim is in the Clutha, opposite the Hercules Company's claim, and is known to be a good one. It is expected that everything will be ready to commence work about the beginning of July next.

There are six or seven more dredges on the river, all of which are in the hands of private parties, and returning wages to the owners. During the year Messrs. Pringle and others, Brazie and party, and Bennett and others, have dispensed with their current-wheels in favour of steam, and there now remain only two dredges depending upon the current for motive-power.

*Agricultural.*—The rainfall during the year having been considerably above the average of the past three seasons throughout the goldfields portion of my district, has given a healthy impetus to this interest, as well as that of mining. The crops all round were good, and well harvested, while grass-feed, both natural and artificial, is more plentiful than has been the case for years past at this season, the result of which is that sheep and cattle are realising much more satisfactory prices, and land of all descriptions in great demand.

The Under-Secretary, Mines Department, Wellington.

I have, &c.,

J. NUGENT WOOD, Warden.

---

## No. 16.

Mr. Warden CAREW to the UNDER-SECRETARY of MINES, Wellington.

SIR,—

Warden's Office, Dunedin, 14th May, 1892.

I have the honour to forward the annual returns for the Hindon District for the twelve months ended 31st March last. In doing so I may remind you, as I did last year, that these returns include privileges granted at Dunedin for other places than what is generally known as