

in the Otago District. Taking the number last year, and the value of gold obtained—viz., £970,220, the average earnings of the miners are equal to about £83 19s. 7d. per annum, while their average earnings for the former year amounted to £75 4s. 5d. This shows an increase of £8 15s. 2d. over the average earnings for the former year. Taking the different districts, with the number of miners employed in each, and the value of the gold obtained, the average earnings in each locality would be as follows: Auckland, £161 13s. 7d.; Marlborough, £36 5s. 10d.; Nelson, £38 8s.; West Coast, £75 7s. 3d.; and Otago, £75 18s. 11d. a man per annum.

The average earnings in some districts are small, but many of the miners employ a portion of their time in other pursuits.

QUARTZ WORKINGS.

The returns furnished by the proprietors of crushing mills which, will be found in detail in pages 33 to 85 of the Inspecting Engineer's Report on the Goldfields, will show honourable members that this branch of gold-mining is steadily progressing and the yield increasing. As the quartz workings may be termed "the permanent gold-producing mines" of the colony, it is gratifying to find the yield of gold increasing from this source. The returns referred to show that in the Auckland district 89,916 tons of quartz were crushed, and 18,900 tons of tailings treated, which gave 54,385oz. of gold and 61,389oz. of bullion, representing an estimated value of £219,651. This would be equivalent to about 85,202oz. gold, as the average value of the gold found in the North Island is about £2 11s. 6d. per ounce; whereas the value of the gold found in the Middle Island is about £3 19s. per ounce. In the Nelson district 4,561 tons of quartz yielded 914oz. of gold, having an estimated value of £3,610. On the West Coast 45,090 tons of quartz yielded 28,553½oz. of gold, having approximately a value of £114,214; and in Otago 9,723 tons of quartz yielded 5,573½oz. of gold, representing an estimated value of £22,015: making a total of 168,190 tons of quartz and tailings crushed, which yielded 120,253oz., of an approximate value of £359,490 as against £320,282 for the previous year. This shows that about 37½ per cent. of the value of the gold obtained last year came from auriferous lodes.

In connection with quartz workings, I may observe that the improvements in the appliances for recovering the gold from the crushed pulp have had a great deal to do with the increased yield from the North Island last year. In some cases nearly as much gold has been recovered from the tailings as from the crushed ore, after passing through the ordinary process of gold-saving. This is entirely due to the introduction of the cyanide process. Wherever this process has been adopted in the North Island it has proved a success. At the same time it is only on ore having a certain value that it can be used, as the expense of treatment, together with the royalty to the Cassel Company, would in very few cases be less than 12s. per ton, exclusive of the cost of fine crushing. The cost of treatment, however, varies with the class of the ore to be dealt with. This necessarily requires men having a metallurgical knowledge to treat the different ores successfully.

I shall now briefly refer to the different localities where quartz-mining is carried on.

COROMANDEL.

The yield of gold from Coromandel, including Kuaotunu, last year was 10,019oz. This was obtained from 10,242 tons of quartz and 2,388 tons of tailings; while for the former year 12,403 tons of quartz and 2,760 tons of tailings gave a yield of 12,954oz., showing a decrease in the yield of gold of 2,935oz. for the last year.

The English company referred to in last year's Statement has not met with much success, but recently it has got gold-bearing stone in the deep levels of the Kapanga Mine; and rich stone has also been discovered in the ground forming portion of the Coromandel Company's property. This will, no doubt, give an impetus to further prospecting in the locality.

At Kuaotunu about the same number of claims have been worked as during the former year, but some of them have been giving very poor returns. The introduction of the cyanide process, however, added considerably to the yield of gold from that field last year. Both the Try Fluke and Great Mercury Companies have erected Cassel plants in connection with their crushing batteries, and last year 3,420oz. of gold was obtained by this process. The total yield of gold from the Kuaotunu field last year was 8,044oz. This came from 9,660 tons of quartz and 2,240 tons of tailings, but the tailings may be said to form portion of the quartz crushed.