distributed. The unfavourable condition of the rivers, which have during the past year been higher for longer periods than usual, has rendered dredging at times difficult, and in some cases impossible, and has a material effect in diminishing the yield of gold as compared with the previous year. There are five new dredges being built on the Upper Clutha River, three in the Clutha Gorge below Cromwell, three on the Kawarau, two at Bannockburn, and one at Nevis.

The only quartz claims in operation are those of Lawrence Brothers and James Lawrence, on the Carrick Range. The once-famous Bendigo Mine, now the property of the Cromwell Company, which in the past yielded large returns of gold, has been closed down during the whole of the last year.

Clyde and Alexandra Sub-districts.

Although during the past year several dredging claims in this portion of this district have produced exceedingly profitable returns, yet, on the whole, the result of the industry may be said to have been rather disappointing, attributable chiefly to the unprecedented fluctuations of the river. During the past few months dredges confined to the river in their operations have been able to work barely one week in four, while several newly constructed ones have been considerably delayed in making a start, in consequence of the depth of water and the insurmountable quantity of running drift.

The claims which have produced the best returns are those embracing beaches and banks at and near Sandy Point—notably the Perseverance, Earnscleugh Nos. 1 and 2, Enterprise Nos. 1 and 2, the Golden Beach, and Molyneux Hydraulic, all of which have put in good average time, with extremely satisfactory results. The extreme variations in the state of the river have militated considerably against the efforts

The extreme variations in the state of the river have militated considerably against the efforts to test the value of the gorge claims. Between Cromwell and Clyde one or two dredges succeeded in reaching the bottom, with the result that gold in highly payable quantities was discovered; and the same may be said of the gorge between Alexandra and the Fourteen-mile Beach, the Sailor's Bend having obtained 85 oz. for one week's work, which goes to show that, under more favourable circumstances, these gorge claims are not only workable, but are also highly payable.

The permanency of dredging in this district will a good deal depend upon the ability to work the auriferous banks. Several efforts have been made, with varying success. The greatest tests in this direction are being anxiously looked forward to in the working of the Earnscleugh No. 3 and the Fraser Flat, two of the largest dredges under construction in the colony. Both claims are a considerable distance away from the river, and will therefore lack the influence of the current; while the ground is about 80 ft. in depth, and is made up of alternate seams of drift and goldbearing gravel of easy manipulation.

The difficulties met with in this class of dredging seem to be in the disposal of the fine silt, and no improvement in this direction seems to have been effected or attempted for years. Probably this is to be accounted for by the fact that our consulting engineers have been too busy to give the matter attention, and they may make efforts to remedy the evil when the works now in hand have been completed.

The Manuherikia River and flats, from which so much was expected some two years ago, have not, I regret to say, proved a payable dredging-field. Five dredges are still working in this locality, but the returns are not very satisfactory.

Bald Hill Flat: The number of individual miners in this locality, like many other portions of this district, is slowly but surely growing less. The class of ground yet unworked is not rich, and only by the assistance of a large supply of water can it be made to pay.

The Bald Hill Company's dredge has made a start, but a few difficulties in the opening-out have arisen, and some time must elapse before an opinion can be formed as to whether the ground will pay.

Although the Last Chance Company was floated for the purpose of dredging, the ground is still being worked by means of sluicing, the returns being steady and payable. If the dredge now working on the flat proves a success, the company will doubtless have one constructed. In the meantime I think the directors are acting wisely in holding over the expenditure until the ground is proved payable.

Fourteen-mile Beach: The Fourteen-mile Beach Company's dredge has been ready for work for some considerable time, and has made two or three efforts to start, but on each occasion has been compelled to close down through the high state of the river. The motive-power for this dredge is electricity, and on each occasion it was working the machinery gave every satisfaction, proving conclusively that, when water under sufficient pressure is available, electricity will be found to successfully take the place of steam, thereby reducing the working-expenses by nearly one-half, and doing away with the labour and difficulties in supplying dredges in these gorges with coal.

Quartz.—White's reef, on Obelisk, and the Excelsior, on Coal Creek Spurs, are still being worked, but with what results I have not been able to ascertain.

ROXBURGH SUB-DISTRICT.

Many of the dredges here, like those higher up the river, have been subjected to a considerable period of enforced idleness. The Gold Queen, probably the most competent dredge working in the river, has proved itself quite incapable of contending with the immense quantity of drift. Now and again, when circumstances have been favourable, the returns have proved that there is gold in highly payable quantities in the claim. The Majestic, too, a few miles lower down, managed on two or three occasions, when the bottom was "getatable," to produce returns quite sufficient to prove that these lower reaches of the river are capable of affording profitable employment for many years to come.

The Golden Treasure, Golden Gate, and Pringle and party's dredges, below Ettrick, have seldom been idle, and, although they are by no means up to the capacity of the dredges now being con-