

Hartley and Reilly have effected a complete revolution in the aspect of affairs. Since the 1st August, 1862, five large fields have been proclaimed, and gold has been found throughout an immense extent of country, and under almost every possible variety of circumstances. It has been washed from the sands of the ocean, and gleaned from the river beaches. On the hill tops, as in the valleys,—on snow covered mountains, and in sunless ravines, gold is alike found in abundance. Heavy and valuable deposits are known to be concealed beneath the turbid waters of many an inland stream; and ingenuity, aided by enterprise, is busily devising schemes for their acquirement. The morasses and drift hills are being penetrated, and their treasures brought forth to the light of day. Quartz reefs, heretofore neglected, are being profitably wrought, and beneath the superincumbent strata of auriferous soil, the existence of older tertiaries, rich with heavy gold, has been amply demonstrated on at least one field. From the Taieri River to the West Coast Ranges, and from the Kakanui's to the Mataura, the existence of a geological continent of auriferous rocks has been fully established; and within these limits it would be difficult to find a creek or gully which does not contain gold in greater or less quantity.

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120. All that has yet been effected towards the development of the resources of this extensive area, is trifling in comparison with what may reasonably be expected in the future. Hitherto our miners have been principally occupied in rushing from one new field to another. The surface of the ground has indeed—so to speak—been scratched over; and a few of the richest and most easily available deposits have been partially wrought. But equally rich ground will, without doubt, continue to be opened up for years to come, and more systematic processes of mining than have yet been adopted, will gradually be brought into general operation. Many thousands of acres—the auriferous nature of which has been ascertained—will then be steadily and profitably worked, and will afford remunerative employment to a largely increased population. Already some of our oldest miners, who have attained comparative affluence by well directed industry, are investing their capital to this end. Extensive races are being constructed; and water—the cheapest and most efficient of all agents—is being brought from every available source, to assist in the reduction of the soil and the elimination of its golden spoils. For Hydraulic mining, Otago possesses advantages which are unobtainable elsewhere. The soil is loose and gravelly, and singularly devoid of stiff clays; the supply of water is plentiful, and the necessary elevation is easily attained. The general dissemination of gold throughout large tracts of country, greatly favours the successful prosecution of this branch of mining industry; and its more general adoption will be productive of very satisfactory results. Extraordinary returns may be anticipated from the working of the river beds on a larger scale, by companies of associated claimholders, whilst alluvial mining will certainly be pursued with unabated success for a very extended period of time.

Permanence of the
Otago Gold Fields
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121. The permanence of the Otago Gold-fields is therefore a well established fact; and the future prosperity and rapid progress of the Province is assured. Nothing will so much foster and encourage this great interest as the construction of roads to the various mining localities, and the facilitation of settlement on the public lands. Every mile of road that is formed reduces the cost of supplies, and thereby tends to open up ground that would otherwise remain unworked, and every freehold created on the Gold-fields, by the sale of township allotments or rural land, will afford an additional guarantee for the future well being of the country. Guided by the disastrous experiences of adjacent colonies, the errors which there prevented the early settlement of the people may be avoided; and a happy and contented, because thriving population, may be located in the vallies and on the plains of this newer Britain, so that the extraordinary impetus given to colonization by the discovery of gold, may be rendered productive of permanently beneficial results.

I have, &c.,

VINCENT PYKE,
Secretary.