SILVER.

During the year 1872, 37,064 oz. of silver, valued at £9,900, were exported from Auckland, and during the March quarter of 1873, 14,057 oz., valued at £4,000. This being exclusively the produce of the Thames Gold Fields, the very considerable decrease in the amount exported this year, in comparison with 1872, is only the necessary consequence of the decrease in the yield of gold already referred to.

REVENUE.

Revenue and gold duty for the year 1872 amounted to £111,135 1s. 10d., and for the quarter ending the 31st of March, 1873, to £32,296 14s.; total, £143,331 15s. 10d. Complete details of the gold fields revenue in the several mining districts, as brought to charge in the public accounts, will be found in Tables 1, 2, and 3. The falling off in the revenue is partly attributable to the reduction of the gold duty last Session by the legislation of the General Assembly, but more especially, as a matter of course, to the falling off in the return of gold for the year.

The Tables appended, Nos. 1 and 2, show the revenue of the gold fields from all sources, and the gold duty collected in the several Provinces, for the year 1872 and the first quarter of

1873 respectively.

Tables Nos. 3 and 4 form a comparative return of the revenue during the years 1871 and 1872, showing the increase or decrease under each head of revenue, and in respect of each district respectively. The falling off in the revenue in the Province of Nelson and County of Westland during the year 1872, as compared with 1871, may be accounted for by the exceedingly dry summer, which seriously impeded sluicing operations for many months, and in some districts put a stop to mining altogether.

MINING POPULATION.

The number of miners employed during the year ending 31st March, 1873, was 22,335, of which number 3,872 are Chinese. Dividing the value of the total quantity of gold exported amongst the mean number of miners employed in alluvial and quartz mining, it appears that in 1872 the average was per man for the year £77 10s. 3d., while for the year 1871 the average per man was about £101 16s. $5\frac{1}{2}$ d., showing a falling off of £24 6s. $2\frac{1}{2}$ d. per head, a result simply deducible from the falling off in the yield of gold already commented upon. The Chinese miners are chiefly located in the Province of Otago, and confine themselves to alluvial mining; many have left this year for China with a competence realized in a few years; yet from the returns it appears that their number is on the increase; they are generally reported to be a hard-working and orderly class of men, chiefly confining their operations to old and abandoned ground which the European miners have considered worked out.

It will be seen that there is a considerable falling off in the mining population. This decrease is apparently so great that I am inclined to think that the numbers given in my last report must have been overestimated, being probably based upon the census of 1870. Assuming, however, the decrease to be real rather than apparent, I believe it may be attributed principally to the fact that the very high price of labour of all kinds, which lately ruling throughout the Colony, has attracted from the gold fields to other more congenial pursuits a large proportion of the "wages men," many of whom were never "miners" in the true sense of the term, and whose chances of employment during the late stagnation in our great quartz mining field became

exceedingly precarious.

WATER RACES.

There are within the Colony 4,932 miles of water races, carrying 6,776 sluice heads, constructed at an estimated cost of £763,899. Last year the return was 3,595, carrying 7,056 sluice heads, valued at £711,386; but this increased supply over last year is not nearly sufficient to meet the pressing demands of the present workings, either alluvial or quartz. The Wardens' reports show that operations have been suspended for many months, owing to the season being so dry.

In looking through the Wardens' reports, I find that nearly all of them express their opinion that a large increased supply of water is required for the better working of the different districts

under their charge.

Mr. Warden C. Broad, writing from the Nelson South-west Gold Fields, remarks that "some better means will have to be adopted for securing a constant supply of water. The experience of the past summer points to the necessity of constructing reservoirs to fall back upon in dry weather."

Mr. Warden Whiteford, Ahaura, writes: "I avail myself of the opportunity now given me of again bringing under the notice of the Government the urgent necessity of at once proceeding with the formation of one or more large water races in this district, without which this portion of the gold fields can never be properly worked, or afford employment to anything like the population it is capable of supporting." And again: "From the want of some proper water supply in this district, I am quite satisfied that owing to the dry season we have experienced during the last few months, the loss to the country caused by so many miners being idle for weeks at a time, may be estimated at a very large sum."