

predecessor, that the number of miners in the district was 1,740; of these, 1,140 were Europeans and 600 Chinese. The present number, which has been carefully estimated, I make to be, 537 Europeans and 513 Chinese; in all, 1,050. There is thus a falling off to the number of 575; but, so far as I can learn, this reduction is in no respect owing to any failure of the auriferous resources of the district, but is to be attributed to the general prosperity of the Province, and the prosecution of large public works, having created an active demand for labour at a price exceeding the ordinary earnings by gold mining. Other districts have no doubt been affected in a similar way by these causes; but Tuapeka being the nearest gold field to the line of the Dunedin and Clutha Railway, and the works of the Tokomairiro and Laurence line being constructed through the district, has brought immediate, steady, and remunerative employment to the miner's door, and consequently has no doubt had a more direct and marked effect in drawing miners from their usual avocation here, than would be the case in more distant gold fields. The rate of wages paid to Europeans at the works has been from 9s. to 10s. 6d. a day of eight hours, and to Chinese from 6s. to 7s. per day. I may here remark that the European miner is said by the railway contractors to be unequalled, for both quantity and quality of work, by the specially imported skilled navy. The Chinese are also in favour for their steady perseverance, and as many as 300 have been employed at one time upon the Tokomairiro and Laurence line.

A decrease in the quantity of gold forwarded by escort is a natural sequence to the decrease in the number of hands employed in obtaining it; and when this is taken into account, the yield of the last compares very favourably with that of former years, and, in fact, shows a considerable increase upon average earnings over the year 1872-73. The quantity escorted in the year last mentioned was 36,468 ounces, which, divided by 1,740, the then estimated number of miners, would, at the average price of gold (75s. 6d. per ounce), leave a miner's earnings as £79 3s. for that year.

The escort for the past year took down 28,883 oz. 11 dwts., which, divided by 1,050, gives £102 1s. as each miner's earnings. Although this is the usual, it is not, in my opinion, a reliable, mode of calculating average earnings. Perhaps for the past year it is favourable to this district, as I believe the number of miners to have been smaller when the estimate of their number was taken, than at any other season of the year. For a district dependent entirely upon gold raising, it is possibly the only correct mode of arriving at results; but Tuapeka is now not only a gold field but also an agricultural district, containing several hundred farmsteads, and is surrounded by large agricultural and pastoral settlements, which give employment to a considerable quantity of labour. Numbers of men who are gold miners by choice, so soon as they meet with ill-success in mining, or are interrupted in their employment by scarcity of water or other causes incidental to mining occupations, or are moved by the temptation of large wages, betake themselves to sheep-shearing, harvesting, or other of the outlets at command for their labour, and return again to gold mining at their pleasure. Many of the miners here are also holders of small agricultural leaseholds and small mobs of cattle, and employ a portion of their time in farming pursuits. It would be impossible, under present circumstances, to make proper allowance for this only partial employment at gold mining, and it is thus made to appear that a given quantity of gold occupies more labour to procure than what is really the fact.

A remarkable feature of progress in real settlement is to be gathered from the transactions respecting land during the period reported on. The number of agricultural leases granted during that time is ninety-seven, covering an area of 8,053 acres 3 roods 21 perches, and sixty-five applications, for 6,911 acres 2 roods 4 perches, are now pending, which await survey and other preliminary matters before they can be granted. The holders of forty-eight leases, over 1,830 acres 1 rood 34 perches, which had run over three years, have purchased their holdings, and thirteen other applications, to purchase 405 acres, are before the Waste Lands Board for approval. The provisions under section 62, "Waste Lands Act, 1872," by which the holder of an agricultural lease, three years in possession, is admitted to the benefits of the system of purchase on deferred payments, is being largely availed of. The interpretation given to this section allows the holder of a lease under the Gold Fields Act (after three years) to obtain a Crown grant in fee simple on payment of 17s. 6d. per acre, which may be paid in fourteen instalments, extending over seven years. Strange to say, if the holder wished to purchase the same holding without deferred payment, under section 74 of the Act, the price would be 20s. per acre.

In addition to the leases granted under the Gold Fields Act, fifteen applications, for 2,318 acres 1 rood 26 perches, have been granted under section 50, "Waste Lands Act, 1872." The holders of these allotments, after residing thereon for thirty months out of the first three years, and effecting certain improvements on the land, will become entitled to leases under deferred payments. Another block of land of 2,500 acres has lately been thrown open for settlement on this system, and there is also an area of 43,000 acres for selection under the Agricultural Lease Regulations. A considerable portion of this land is rough, hilly country, and the whole of it, until applied for on lease, is commonage to the surrounding miners and other settlers. The number of cattle depastured on this land for the past year, or rather the number for which assessment was paid, is as follows:—Cattle and horses, 2,485; sheep, 15,000.

The total quantity of land which has been leased, in holdings of from five to two hundred acres, up to the end of last month was 33,176 acres 3 roods 31 perches, and about 20,000 acres granted in fee simple and on deferred payments.

As regards mining matters, for the reasons already named, the past year has not been a stirring one. The effect of miners being diverted to other occupations has interfered with the opening of new enterprises, and very little prospecting has been done. The operations of the Clarke's Hill Prospecting Company, Limited, are however, a very noticeable exception. This Company was registered in March, 1873, and was formed for the purpose of prospecting the spur between Gabriel's Gully and Wetherstone's for quartz reefs. With this object the Company has put in a tunnel 1,100 into the spur, and which cut through the Gabriel's Gully reef at a depth of 300 feet from the surface, but at this point the reef, although gold-bearing, is not considered payable. The tunnel has since been extended about 100 feet beyond the reef, and is to be continued for 200 or 300 feet further, in the expectation of meeting a main reef, of which I am led to believe there is a reasonable hope. The shareholders of the Company are generally holders of mining leases along the spur, and consequently are in