

and distributed to make the working, more than barely remunerative for labour expended. The average number employed there is 150, of whom only eight are Europeans, and the remainder Chinese. In other parts of Waipori there are a few excellent claims, which for years past have given large returns to a small settled population.

At Waitahuna the cement workings, very similar to the Blue Spur formation, are proving a success. It has been found that the depth of ground is not sufficient to allow of blasting with large charges being economically conducted, and a party of miners are now, at a cost estimated at £1,000, constructing a race with iron pipes in expectation that with large pressure the ground may be brought away for sluicing without the use of powder. Much of the old workings here has been now thoroughly exhausted of gold, but a few who have water rights can still continue to earn good wages. At Have-lock Flat some claims in new ground have been lately taken up and found payable. A few parties of Chinese have been very successful in the neighbourhood of Glenore, principally upon freehold land, and throughout the district there are small isolated parties of miners of whose doings I have no particular information.

Quartz Mining.—The day for a favourable report upon this branch of mining has not yet arrived, but waits for further development. The Canada Reef, which in appearance is one of the best in Otago, is still being worked with but moderate success. The Waipori Company has met with unexpected difficulties, and the success predicted for this Company has yet to be fulfilled. The prospects of the Nil Desperandum, on the same line of reef, are now very promising. They have a small battery now erected of four stamps, and during the last three months have crushed 160 tons, with an average produce of an ounce and a half of gold to a ton. The claim is being brought into full work. It is a very general opinion that there are several reefs in the district which could be profitably worked; but there is a great want of enterprise in that direction, owing, it is presumed, to losses which have already been made in ill-directed or mismanaged ventures. With the small number of persons at present engaged in quartz mining, only a modicum of success could be expected.

Gold.—The quantity of gold carried from the district by escort for the year was 21,106 oz., being an increase of 1,362 oz., over that of the former year. This increase comes from the Blue Spur and Waipori.

Settlement.—A great demand has existed for land during the year, and it is still unabated. As soon as any of ordinary quality is open to be dealt with, either by cash purchase or by leasing under the Gold Fields Acts, or on deferred payments under the Waste Lands Act, it is eagerly sought after. When sold by auction, the price obtained has usually considerably exceeded the upset price. For the leasing of sections of fair quality there is generally considerable competition, and for allotments open on the deferred-payment system there has been invariably several applicants. In the last instance, a few days ago, there were 129 applications for fourteen allotments of 200 acres each; and when these were submitted to auction, as provided by the Otago Waste Lands Act of last Session in the case of duplicated applications, the price obtained averaged £2 16s. 8d. per acre. The provision in section 62, "Waste Lands Act, 1872," under which the holder of an agricultural lease under the Gold Fields Act of which three years of the term has expired, and who has effected certain improvements, can exchange his lease for a lease under the Waste Lands Act, and then, on payment of rent for seven years, become entitled without other payment to a Crown grant, has been largely availed of, and during the year 132 of these exchange leases have been issued, for 5,635 acres. Of deferred payment licenses under sections 50 to 53 of "The Waste Lands Act, 1872," 90 have been issued for an acreage of 13,962. During the year, 76 agricultural leases have been issued for an area of 9,029 acres, and the freehold of 57 leases which had been held over three years and improved has been purchased. There are now in the district under the Gold Fields and Waste Lands Acts 566 leases and licenses for agricultural holdings representing an acreage numbering 48,741, and bringing in an annual rental of over £6,000.

Revenue.—The revenue for the year has been as follows:—

Goldfields and lease rents	£9,473 2s.
Fees and fines, Resident Magistrate's Court	£271 1s.

The number of cases decided in the Resident Magistrate's Court was 371, and in the Warden's Court 47. I have, &c.,

The Under Secretary for Gold Fields, Wellington,

E. H. CAREW,
Warden.

No. 4.

Mr. Warden WOOD to the UNDER SECRETARY for GOLD FIELDS.

SIR,—

Warden's Office, Switzers, 10th April, 1876.

I have the honor to forward my report and statistical returns for the year ending 31st March last.

There are no discoveries to report in either quartz or alluvial mining, the majority of the mining population being Chinese, who do not prospect, and the Europeans appearing rather to adhere to steady work at small wages than risk time and money in looking for what might or might not prove better. Money does not seem scarce either at Switzers or Orepuki when needed either for charitable or other purposes, nor do I think the quantity of gold obtained has been less than last year, but perhaps more evenly distributed than hitherto. The proprietors of the Argyle Water Race have made great inroads into the original township of Frenchman's Hill—finding they could not let the water without lowering the usual price, they determined to use it themselves, and so far their enterprise has been very remunerative to themselves, but those who have business premises on the hill are very unpleasantly situated. The school is the greatest sufferer, as the only place where the children can be turned out on for play is most dangerous; the steep cliffs and broken ground are very tempting to daring spirits.

The Court-house, jail, &c., will, I suppose, be shortly removed to the township of Waikaia, where the Post Office and Telegraph Departments have a building, at present let. Some 1,500 acres