

which in time become the fee-simple of leaseholders ; and, in particular, sluicing operations are brought to a standstill from a dread of damages consequent upon the deposit of tailings. It is true that considerable precautions are adopted by the Board against the alienation of auriferous ground ; but the responsibility is remote, and the disadvantages of the present system too apparent to justify the continuance of a dual administration of land, especially where one method is peculiarly and exclusively framed to meet the intrinsic difficulty of the case. Each year of prosperity, and consequent settlement of population, increases the difficulty, of which I see no solution but the withdrawal of gold fields from the operation of Waste Lands Acts.

THE REEFS.

Appended will be found tabular statements of tons of quartz crushed, yield of gold, and dividends declared. Also, a comparison of dividends declared during the last four years, and of average yield of gold per ton crushed. It is my pleasing duty still to note a very marked and satisfactory progress in mining industry, and its profitable results.

RETURN of QUARTZ CRUSHED, Yield of Gold, and Dividends declared in the Inangahua District for the Year ending 31st of March, 1878.

Name of Company.	Tons Crushed.	Ounces of Gold Yielded.	Dividends.		
			£	s.	d.
Wealth of Nations ... ..	9,589	5,011	7,800	0	0
Golden Fleece ... ..	4,140	6,122	13,200	0	0
Energetic ... ..	11,600	5,952	6,300	0	0
Keep-it-Dark ... ..	8,141	5,123	6,583	6	8
Hopeful ... ..	3,187	6,975	15,675	0	0
Welcome ... ..	720	2,619	8,250	0	0
Just-in-Time ... ..	1,652	3,148	4,200	0	0
Caledonian ... ..	120	771	1,500	0	0
Fiery Cross ... ..	427	263	...	...	...
Italian Gully ... ..	240	254	...	...	...
Nil Desperandum ... ..	230	127	...	...	...
No. 2 South Lamp ... ..	244	52	...	...	...
Andersons ... ..	450	61	...	...	...
Inkerman ... ..	787	165	...	...	...
Macedonian ... ..	420	48	...	...	...
Total ... ..	41,947	36,691	£63,508	6	8

Some of the gold melted ; some retorted only. The tons are, in some cases, only approximate. Returns from Graham and Allen's private battery, Rainy Creek, not included.

Calls made in registered companies during twelve months ending 31st March, 1878, £28,702. These calls were made by thirty-five companies.

COMPARATIVE RETURN of Dividends declared by Registered Gold-mining Companies in the Inangahua District during the years ending 31st of March, 1875-78 inclusive.

Dividends	1875.	1876.	1877.	1878.
...	£13,000	£27,513	£50,612	£63,508

COMPARATIVE RETURN of average yield of Gold per ton of Quartz crushed in Inangahua District, during the years ending 31st of March, 1876-78.

Average yield per ton	1876.		1877.		1878.	
	dwt.	gr.	dwt.	gr.	dwt.	gr.
...	14	16	18	7	17	$\frac{1}{3}$

Under the head of Mining Surveyors' Reports, for Victoria, for quarter ending, 31st December, 1877, the average yield per ton of quartz crushed is estimated at 9 dwt. 6 gr. ; dividends averaging about 10s. per ton crushed. High-priced labour and expense of transit of machinery render stone of this quality barely payable here ; consequently, for the present, unlimited quantities of quartz below this standard are left for days to come.

Before quitting this subject, it is my duty to refer to the absence of anything like a practical supervision of the safety of the mines. Where wages are high and competition fierce men are asked to consent to perform risks that would not be tolerated under an efficient inspection. The result is a series of accidents that would be more properly termed incidents to an irresponsible and reckless system of mining.

Much valuable time has been consumed in the hearing of applications for cancellation of gold-mining leases. In my opinion such matters should be determined judicially by the Warden, subject to appeal to the Court above. The circuitous procedure now in force is open to grave abuse, and, as far as I can discover, does not command the confidence of the community, who are quick to conjure up political influences in questions reserved for the decision of a Cabinet.

Grey Valley (comprising Granville, Ahaura, and Nelson Creek Courts).

The following is a statement of business transacted and revenue collected :—

RESIDENT MAGISTRATE'S COURT.—Number of criminal cases heard, 42 ; Committed for trial, 1 ; Civil cases, 76 ; Amount sued for, £1,510 4s. 3d. ; Amount received, £457 17s. ; Fees and fines paid, £218 3s. 5d.