

The quartz-mining in this district has rather retrograded during the year, and will, I think, continue to do so until miners direct their energies to prospect for the main reefs on the tops of the ranges, instead of the slopes and spurs of those ranges, with which they have been satisfied up to the present, particularly on the Carrick Range. The Cromwell Reef, at Bendigo, and the Star of the East, at Carrick, are the only two that have given any yield during the year. Some four months ago a new reef was discovered on the top of what is known as "the Old Man Range," at the head of the Fraser River, in which considerable confidence is expressed, as it presents all the features of a main reef. The inclement weather, however, put a stop to the works before much had been done. I have no doubt that the recent reduction in the rents for gold-mining leases will, with the other advantages offered by the new regulations, tend to the development of the mines, and particularly the quartz mines, in this district, when more generally known. With this in view, it is to be regretted that the regulations have not been issued in a less confused form.

Settlement.

In this district during the year a marked advance has been made. Compared with last year the area taken up is nearly three times as large, and the number of lessees more than doubled. The great thirst for land has spread to the gold fields, and it is only to be regretted that all the land suitable for settlement cannot be more readily thrown open while the desire to settle on it exists. There were about 11,000 acres thrown open during the year, 7,000 in the Cromwell District and 4,000 in the Teviot, and of that area there only remains about 1,500 acres not taken up.

During 1876-77, thirty-three lessees, &c., took up 4,409 acres. During 1877-78, seventy-seven lessees, &c., took up 11,920 acres.

Total acreage under agricultural lease in district at present is	Acres.	Lessees.	Annual Rent.
...	19,195	149	£2,320 12 6
Total acreage under licenses and leases of Land Acts			
...	9,927	102	1,391 12 0
Total	29,122	251	£3,712 4 6

Of the land held under agricultural lease and deferred-payment license and lease, there have been 3,716 acres acquired in freehold during the year.

I think a great stimulus has been given to the taking up of land in this district by the increase the Legislature wisely saw fit to make in the area allowed to be taken up by one individual from 200 acres to 320 acres, and so far as the land in this district is concerned I do not consider that even 320 acres are sufficient.

A number of applications have been made to me, under the 59th section of the Mines Act, to take up land on what are known as the mining reserves, but unfortunately, by reason of some technical difficulties, I have not been able to have them dealt with yet. This section of the Act, when once fairly in operation, will be found most useful, enabling, as it will, large tracts of land to be utilized, both in a revenue and agricultural point of view, that otherwise would remain shut up for ever on, I am afraid, in many cases, very insufficient reasons.

I have, &c.,

W. LAWRENCE SIMPSON,
Warden.

The Under Secretary for Gold Fields, Wellington.

No. 14.

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

SIR,—

Warden's Office, Lawrence, 25th May, 1878.

I have the honor to forward herewith the annual statistics for the Tuapeka Gold Fields District, and to make the following report:—

Population.—The European mining population remains about the same as last year, and I estimate the number at 450. The Chinese miners have increased from 450, the estimate of last year, to 650, the present estimate. Many miners, especially Chinese, employ themselves at harvesting, and other agricultural occupations, as well as at mining, usually taking such work when high prices are offered, and returning again to mining when wages fall, and employment becomes scarce.

Gold.—I estimate the produce of gold for the year at 27,260 ounces, which I believe to be correct, but as the Government do not now run the escort, there are no official records to check calculations by, as in former years. The increase over last year is 1,100 ounces.

Mining.—There have been no new discoveries during the year of much importance, but great success in working the Blue Spur has directed attention to the Cement Hill, at Wetherstone's, a similar formation to the Blue Spur. The hill has long been known to be auriferous, and has been worked to some extent by sluicing. It has been demonstrated at the Spur that where cement or conglomerate can be obtained in large quantities the gold can be extracted so cheaply and expeditiously that a very small quantity of gold per ton will be remunerative, and I have it on good authority that, in localities favourable for working, a single pennyweight of gold to a cubic yard of conglomerate will leave a handsome margin of profit. These facts, together with encouraging prospects obtained in the claims first taken up, have led to the occupation of about forty acres of the hill, and I am informed that arrangements have been entered into for the erection of the first battery of stamps, to be driven by water-power. The success of this enterprise would be of very great importance to the district, for the reason, as I have mentioned in former reports, that there is a considerable extent of country of similar formation extending in a southerly direction to the sea coast. The Blue Spur has yielded a very large quantity of gold for the year—I believe more than any preceding year. The claims in this wonderful hill have been worked for the past fifteen years, and it seems they are not yet half