

refrain from expressing an opinion on the situation of this important subject, as they justly consider it is one which should be unreservedly dealt with by the Council.—ALEXANDER BRODIE, Chairman of the Committee."

As pointed out by the Mining Inspector, the water, in consequence of the suspension of pumping operations, has risen in all the adjoining mines, effectually stopping all further mining at low levels. The Kurunui Hill United Company were then prospecting their mine from the 640-foot level of the Pumping Association's shaft, and sufficiently encouraging indications were met with to induce them to continue, had the water not unfortunately obliged them to desist. The question of the existence of gold at deep levels, on which the permanent character of the field will no doubt greatly depend, in the meantime remains undecided.

In the month of December, 1878, the pumps of the Waiokaraka Drainage Association stopped, some of the contributing parties having failed to continue their share of the expenses. The Queen of Beauty mine, one of the contributing claims, had just opened out a large and rich leader in their 550-foot level—the greatest depth at which gold in payable quantities has been found at the Thames. This discovery gave every promise of yielding as payable crushings as those which, a year or two ago, rendered this mine famous. The water has now flooded out all the lower workings, and operations are at present confined to the higher levels, from which the richer part of the quartz has already been removed. This district (Waiokaraka) now produces little gold compared with what it formerly yielded, and with what, there is every reason to believe, it may again yield when the drainage works are resumed. The resumption of these works by the Waiokaraka Drainage Association seems to depend to a great extent on the course which may be taken by those having the control of the Big Pump. The stoppage of these two systems of drainage in such important localities has, of course, considerably affected adjoining mines. To add to this difficulty, mines which have been considered the principal gold-producers—one or other of which has generally, during some part of the year, by a rich find materially increased the returns for the whole district—have, during the past twelve months, barely paid expenses. The Alburnia is the only one that has paid dividends during that period. The yield of gold from smaller holdings in different parts of the field has not decreased very much, the chief falling-off being, as already stated, in the more prominent mines. There is, however, no reason to believe that in these the richest portions are yet worked out. Further development and more extended workings may at any time bring to light reefs as valuable as any hitherto found. A discovery of this kind in any well-known claim would, I am satisfied, restore in a great measure that confidence which has of late so considerably declined. This again, would induce a further expenditure of capital, not only in developing adjacent mines, but also in reworking abandoned claims in more distant parts of the district. It must also be remembered that as yet a comparatively small portion of the country has even been prospected, and but a very limited area developed. There would appear no reason to doubt that eventually other portions of the peninsula will be found to be equally good with those now being worked, and, if so, the future of the field may be considered well assured.

As might be expected, the small returns of gold have seriously affected the business people of the Thames, who, more than the miners, complain of the dull times. The district is dependent almost entirely on the mining industry, and, when the produce of that fails, every description of business must necessarily suffer. Had it at present, as no doubt in time it will have, other resources on which to rely, a depression such as now exists would not be so severely felt. We should then be enabled to tide over our temporary difficulties, and maintain our population until more prosperous days returned.

The number of miners engaged in mining at the end of the year was considerably less than at the beginning, but the stoppage of the pumps and the suspension of other works consequent thereon will account in a great measure for the difference.

During the year, advantage has been taken of the subsidies granted by Government in aid of prospecting. Parties also assisted by associations have been out at the Thames and Ohinemuri, but, so far, with no very favourable results. There can, however, be no doubt that many portions of the peninsula will eventually be found to be highly auriferous. At present, want of roads over a densely wooded and very rugged country prevents the district from being thoroughly prospected.

As far, however, as my experience extends, paid prospecting parties are, as a rule, not the most successful. Any important discovery made here has been by miners at their own expense, without any assistance from associations or the general public. A reward to be given to a successful prospector on the discovery of gold in payable quantities, either in the form of a bonus, or a grant of an extended area of ground as a claim, secured to him for a stated time with certain immunities and privileges, would, I think, induce more real prospecting than the system of payment by the day at present adopted.

As the resumption of pumping from the Association's shaft is of such vital importance to the prosperity of this district, I would suggest that, failing successful negotiations between the associated companies and the Borough and County Councils for effecting this object, a short Bill be introduced during the approaching session of Parliament, constituting the land between the Kauaeranga and Tararu Creeks, as far back as the main range, a prospecting district; that such district be under the control of a Board, consisting of the Warden, the Chairman of the Thames County Council, the Mayor of the Borough of Thames, and two members to be elected by the miners and battery-owners; that all gold revenue accruing from mines within such district be vested in such Board, and applied to the maintenance of pumping and any further mining operations which it may be deemed advisable to carry on from the shaft. This revenue, together with what would be contributed under the drainage clauses of "The Gold-Mining Districts Act, 1873," by those benefited, would, I think, be sufficient to meet all expenses connected with the above-mentioned works.

AGRICULTURAL LEASES.

The number of agricultural leases in force on 31st March was eighty-five, extending over an aggregate area of 4,220 acres 2 roods 37 perches, and yielding a gross rental, at 1s. per acre per annum for the first seven years, of £211 1s. In January, 1882, the majority of these holdings will be chargeable with increased rent—viz., 1s. 6d. per acre.