

Settlement upon the land has gone on slowly, there being but little land open for selection in the district. It is expected there will be a good demand for the block at Gimmerburn that is to be opened early next month. The low prices ruling for produce have had a very depressing effect upon the agricultural interest, and the want of a railway to bring them into communication with a larger market has been urged by the farmers on every possible occasion. The starting of the flour mill at Naseby, which will be ready to begin grinding in a few days' time, will no doubt be some relief to them, by making it worth their while to grow a moderate quantity of wheat.

The new agricultural leases taken up during the year represent an area of 2,860 acres, and 6,394 acres have been taken on deferred payments. In the same period 5,302 acres previously held under agricultural leases have been converted into freehold, and one lease for 194 acres has been exchanged for a deferred-payment license. The total area at present held under agricultural lease is 20,141 acres, and on deferred payments 19,656 acres.

The yield of gold for the year, so far as it can be ascertained, has been about 27,500 oz., value £103,125. This includes the gold from the Black's division.

The total revenue from all sources has been as follows: Gold revenue, including rents on mining and agricultural leases, £3,892 3s. 3d.; rents on deferred payments, £2,427 5s. 4d.; total, £6,319 8s. 7d. This shows a decrease as compared with last year. The large area of agricultural leases converted into freehold during the year accounts in part for the falling off, as rents on these lands have ceased to be payable, but the principal deficiency is on the deferred-payment land. A great deal of this was purchased at a ruinously high rate, and the holders have in some instances found it impossible to keep up their payments. Several, indeed, have surrendered their licenses, taking advantage of an arrangement by which they will be able to purchase outright, or obtain valuation for their improvements.

I forward the usual statistical returns. With reference to the return of cases in the Warden's Court, I have to remark that, in addition to these cases, there were heard in the Warden's Court 597 applications for mining privileges, 29 applications for mining leases, and 21 for agricultural leases. Of these various applications 88 were opposed, and the hearing of the objections was in many of the instances a lengthy business, involving adjournments and visits to the ground.

I have, &c.,

H. W. ROBINSON,

Warden.

The Under-Secretary for Gold Fields, Wellington.

#### No. 14.

Mr. Warden KEDDELL to the UNDER-SECRETARY for GOLD FIELDS.

SIR,—

Warden's Office, Clyde, 6th June, 1881.

I have the honor to submit the following general report of the progress and condition of mining affairs in the district of which I am in charge:—

With respect to the first six months of the yearly period to which my report refers, *i.e.*, to the end of September, 1880, my duties were confined to the charge of the Dunstan District, but since that time, on Mr. Stratford's removal to Greymouth, I have assumed the supervision of both districts.

*Dunstan District.*—In this division of the combined districts there has been little to call for special notice; the number of miners employed has not diminished, and the return of gold will be found to bear favourable comparison with that of last year. At Roxburgh the sluicing claims on the banks of the Molyneux have been steadily worked, and the yield of gold from that portion of the district (though I have not shown the items separately) contribute a very large proportion of the aggregate amount stated. The mining in the Mount Benger portion of the district is exclusively alluvial sluicing claims, both on the Molyneux and at Waikaia and Pomahaka; but public attention both here and higher up the river, above Alexandra, has lately been attracted by the success attending some of the dredging-machines, and in the last-named locality two large areas of the river bed have been applied for by parties who show their *bona fides* in the large outlay of money invested in their respective plants; each are constructing powerful steam-dredges on new principles, and they anticipate good results; if as successful as they expect I believe it will lead to many others being introduced. There have been two applications for mining leases over land containing quartz reefs, but as yet they have shown no yield. One at Conroy's Gully has languished through want of local support; it was attempted to be worked, as is usual, from Dunedin, but the lack of interest taken by those residing in the immediate neighbourhood has tended to retard progress, and I regret it, inasmuch as I believe from the early prospects of the undertaking it was well worth a trial, and I am in hopes it will not yet be allowed to fall through. The alluvial workings at Tinker's and Drybread, which have always shown prominently forward in former reports, I have left to Mr. Warden Robinson, who has since October visited Black's. At Cromwell the alluvial workings at Bannockburn are continuing to give highly remunerative employment to a large number of miners, and in other localities, on the banks of the Kawarau and Molyneux, and on the terraces adjoining the latter river, the work of last year has been steadily proceeding. The Chinese are everywhere prosecuting the same work with the same plodding untiring industry both at Alexandra, Dunstan, and Cromwell, and contribute very largely to the yield of gold. They work on very friendly terms with their European neighbours, and are a peaceable, well-conducted section of the community. The rush at Panama Gully, on the Fork Run, on Lake Hawea, is still occupied by a few miners, but its early promise has not been realized. It is reported that lately a reaction has taken place, and that some good prospects have been made. The gold from this portion of the district is of very inferior quality, and contains an alloy of some base metal which has not been discovered in any of the finds on the Clutha. The quartz claims at Bendigo have continued in steady work, and lately declared a further dividend; a good deal of dead work has been accomplished, and they are now working on the reef with renewed hope and encouraging prospects.

*Wakatipu District.*—This district may be divided into two divisions, Queenstown and Arrow. At Queenstown alluvial mining keeps up a steady average. Few men are leaving the district, but on the