H.—**5.**

period have there been more systematic comprehensive efforts directed to this class of mining, whether in the application of private capital to the exploration of country by drives and shafts, and the introduction of improved machinery, or in the expenditure of public moneys in rendering the mines accessible. Let these efforts be continued, and there need be no anxiety about the result.

ALLUVIAL MINING.

This class of mining has always been the most prolific source of gold in New Zealand, and it still continues to yield fully two-thirds of the supply, as in former years. The days when the auriferous gravels were on the surface of the river beaches and channels, ready and waiting long to yield their rich treasures to the digger, with his shovel, tin dish, and cradle, are now a tradition of the But nature's resources are far from being exhausted. The alluvial miner finds the reward of his toil and his many ingenious devices in gathering up the precious metal, long hid under the accumulations of untold ages, in the ancient river-beds, now high above the present levels, as at Kumara; along the flanks of the great ranges, as at St. Bathans, Dunstan Mountains; at all levels, from the ocean-beach itself, laid bare at every receding tide, to the summit of ranges verging on the limits of perpetual snows, as on the Benger and Hawkden Ranges, Having to grope in the dark as it were for this hidden treasure, and to call in the powerful aid of hydraulic pressure to disintegrate and wash away vast superincumbent masses of gravel, the miner has often long months of preparatory work before he has any returns. This delay tells on the year's outturn of gold, and although the alluvial mining will last for many years, and have periods of revival, yet the tendency will be towards a diminution in the annual vield.

OUTLAY ON GOLD FIELDS.

During the year a large number of works have been entered on, comprehending roads and tracks, water-supply, and sludge-channels, and prospecting for deposits of gold, involving, between payments actually made and liabilities, a sum of £70,000. The disbursement of this large sum and other sums voted by Parliament, together with the charge of half a million of property in water-races, imposed serious responsibilities on the department, which could not, it was found from former experience, be satisfactorily met without the aid of some one who would be solely devoted to the duty of reporting on each work before it was entered on, and of inspecting works while in progress and after completion. Mr. H. A. Gordon was appointed to this post in November, 1882, and since then he has visited all the principal gold districts in the colony, and reported on each of the works enumerated in the list accompanying his report, and also on several proposals for expenditure on works which either have not been entered on yet, or have been disapproved by the Government. It will also be his duty to report from time to time any improvement in mining appliances or modes of working, so that in the annual reports, or more frequently if necessary, the miners will have the advantage of knowing what is being done in other districts, and no doubt they A beginning has also been made towards the collection of minewill profit by it. ralogical specimens from the various gold fields, for exhibition at the head office, and cases have been provided for a few of the district offices, to serve the same purpose for local collections.

The Gold Fields Department, although solely constituted in the interests of one industry, receives no revenue or support from it. The whole of the revenue arising from gold duty, miners' rights, and rents, &c.—in all, about £50,000—being handed over to the counties within which it arises. The expenditure on works and the departmental expense fall on the general public, and therefore it is all the more incumbent on the department to make clearly known the

arrangements made for a thorough control of that expenditure.

DEPARTMENTAL.

In consequence of the votes from loan for roads and water-works upon gold fields having been placed directly under the Minister of Mines, and of the votes