

It will be seen from the above returns that 27,838 tons of quartz was crushed, yielding 13,732oz. of gold, as compared with 37,207 tons of quartz crushed for the previous year for a yield of 18,683oz. of gold, thus showing a decrease in the quantity of stone crushed of 9,369 tons, and of 4,951oz. of gold yielded. The amount of dividends declared last year was £9,812, as compared with £16,500 for the previous year, showing a decrease of £6,688. In addition to the gold procured from quartz, 775oz. were obtained by three dredges—namely, the Alexandra, Matakitaiki, and Cock-sparrow; also, 5,309oz. from other sources. Taking the returns as compiled by Mr. Hindmarsh, the total quantity of quartz crushed on the Reefton field since it was first opened is 643,930 tons, which yielded 587,501oz. of gold, representing a value of £2,301,296, whilst the amount paid in dividends was £553,163.

Taking the year ending 31st March last, the returns furnished to the Warden show that 26,603 tons have been crushed, which yielded 13,426½oz. of gold, representing a value of £53,509 5s. 1d., whilst the amount of alluvial gold procured was 4,550oz., representing a value of £17,742. The amount of dividends paid was £11,012 10s., and the calls made during the year £10,153 6s. 8d.

It may be as well to state that there is a considerable discrepancy between the figures given in the Warden's report and the returns made by managers from the several crushing-batteries, both with regard to the quantity of stone crushed and the amount of gold produced. According to sub-section (10), section 307, of "The Mining Act, 1891," every machine-owner is required to furnish the Inspector of Mines with a true and correct return in the form prescribed in the Seventh Schedule of that Act or be held subject to a penalty not exceeding £5 for each omission. It has been represented by the Inspector that he has experienced considerable difficulty in getting these returns from many of those who are responsible for the furnishing of the same; consequently, in sending in his report of the progress of mining in any district, if the returns mentioned above have not been furnished, the district is unavoidably represented as being in a worse condition than is actually the case; and, if the statements regarding the district show that the returns have been less than they have in reality been, those people interested in mining have only themselves to blame for not supplying the correct returns required by law.

There was an expression of dissatisfaction last year amongst the people of Reefton regarding some of my remarks referring to the district, especially with respect to the Welcome Mine, of which it was stated that the winze was sunk on the lode in the lower levels of the workings and quartz taken out therefrom which yielded 3½oz. of gold to the ton. It may be here stated, for the information of the people of Reefton, that the above particulars were supplied to myself and Mr. R. A. F. Murray, Government Geologist, of Victoria, by the manager of the mine at the time we made an examination of the workings, and, by referring to the published remarks of Mr. Murray, the following statements will be found:—

"In the Welcome Mine an inclined adit of 1,800ft. and a level of 800ft. reaches the No. 9 level of the old workings, where there is visible a strong and well-defined track, about 2ft. thick, going downwards, and composed of black mullocky material and quartz, from which a crushing of 60 or 70 tons is said to have yielded 3oz. of gold per ton."

The report furnished by the manager of the Welcome Mine was accepted by Mr. Murray and myself in good faith, and if the figures supplied were false, the blame was certainly on the part of those who supplied them. At that time the inspection was made specially with the view of making a recommendation in regard to the prospects in connection with the future development of the property to enable the Government to determine whether the company should receive an advance of money, under the Mining Act Amendment Act No. 2 of 1893, for which it made application. As it was asserted that the statements contained in my last report of these returns was untrue, it is to be hoped that the above explanation will satisfy the minds of those who took exception to the same.

According to the return supplied by the Warden, the total quantity of quartz crushed since this district was first opened up to the end of March last was 640,933 tons, which yielded 459,423oz. of gold, representing a value of £1,794,175, out of which dividends to the extent of £562,593 were paid. The total yield of alluvial gold is estimated at 122,121oz., representing a value of £450,740; making the total gold production of the district to be 581,544oz., representing a value of £2,244,915.

The following statement will show the comparative returns from the mines in this district for the last thirteen years, ending the 31st March in each year:—

Year.	Calls made.	Dividends declared.	Quartz crushed.	Yield of Gold.	Value of Gold.	Yield per Ton.
	£	£	Tons.	Oz.	£ s. d.	Oz. dwt. gr.
1882-83 ...	61,345	32,600	18,928	19,194	74,856 12 0	1 0 7
1883-84 ...	49,456	16,500	23,433	16,547	64,533 6 0	0 14 3
1884-85 ...	29,333	34,100	34,349	23,997	93,588 6 0	0 13 23
1885-86 ...	24,565	14,500	27,198	14,591	56,904 18 0	0 10 18
1886-87 ...	21,596	33,450	23,930	21,143	83,171 15 5	0 17 14
1887-88 ...	30,432	17,550	24,403	16,775	66,030 11 5	0 13 18
1888-89 ...	38,919	16,688	28,564	18,663	72,720 18 0	0 13 4
1889-90 ...	27,531	18,250	32,394	17,780	69,676 12 1	0 10 16
1890-91 ...	20,404	27,325	39,643	23,347	91,998 8 10	0 10 19
1891-92 ...	25,956	30,743	35,562	23,390	93,885 5 1	0 13 3
1892-93 ...	18,800	16,900	37,693	20,171	80,894 5 1	0 10 16
1893-94 ...	14,350	18,832	34,518	18,413	73,752 14 11	0 10 13
1894-95 ..	10,153	11,012	26,603	13,426½	53,509 5 1	0 10 2