In quartz-mining the Barewood reefs are the principal attraction. These reefs have been traced and prospected for a considerable distance, but hitherto have been worked in a comparatively small way, without much success; but I understand the reefs have been favourably reported upon by mining engineers for working on more scientific principles on a large scale. Two companies with large capital have, I am informed, completed arrangements for further prospecting and opening out the reefs preliminary to erecting powerful machinery for quartz-crushing should expectations as to the value of the quartz in the low levels be realised. If these companies are successful it will lead to the mining of other large bodies of low-grade quartz in the district.

I have, &c.,

The Under-Secretary, Mines Department, Wellington. E. H. Carew, Warden.

No. 14.

Mr. Warden Poynton to the Under-Secretary for Mines, Wellington.

Sir,— Invercargill, 21st April, 1897.

I have the honour to forward herewith the returns for the year ending the 31st March, 1897, and to report as follows on the condition of the mining industry in my district:—

Orepuki.

This district maintains its reputation as a gold-producing centre, and, although the past year has been a very dry one, the miners seem satisfied.

During the past few months there has been a small rush to a place a short distance to the west of the mouth of the River Waiau. A lead has been found there running parallel to the coast at a short distance from the beach. It has not at present been sufficiently tried to prove its richness, but the indications are encouraging. It appears to be of limited extent, and has been all taken up. Water will have to be brought a considerable distance to work it properly.

The mining population of this district has increased. It is now: Europeans, 150; Chinese, 8. To the west of the Waiau there are thirty miners, all Europeans.

Round Hill.

The European mining population has increased, and is now eighty. The Chinese miners now number sixty, a decrease from last year of 50 per cent. The interesting feature of this sub-district is the energetic and successful application of hydraulic sluicing to the low-lying creek-beds and flats.

At my request the manager of the Round Hill Mining Company (Mr. George Lee) has kindly supplied me with the following particulars concerning the operations of his company for the year ending December, 1896:—

"*Water-races.*

"The company completed the enlargement of Port's Race some time back, and it now has a carrying-capacity of twenty-seven Government heads of water. The continuation or next section on to the Cascade Creek is also completed, and has a carrying-capacity of fifteen Government heads. The company is now preparing to go on with the next section of nine miles from the Cascade Creek to Granity Creek, and which has already been cleared of bush and scrub for construction. This last section will be commenced with a carrying-capacity of ten Government heads, and, at Granity Creek, with a capacity of six Government heads of water. The company has also enlarged its other races, and those have at present a total carrying-capacity of thirty-six Government heads. The cost of this work—enlargement and new races—has been, to the end of 1896, £3,736. This sum does not include the ordinary repairs to the races. There are four men, on the average, employed on those races permanently.

"*Dam or Reservoir.*

"The company has a dam-site capable of containing, when completed, 24,000,000 gallons situated in the Ourawera Gorge. Part of the work of construction of this has been done, and the company is preparing to go on and finish this undertaking.

"*Plant.*

"The company during the year got annealed-steel plates from Home, and has made up on its works 90 chains of 27 in. pipes and 30 chains of 18 in. pipes, the large pipes commencing with 14–13 W.G. at head of line, and terminating with 10–13 W.G. at lower end of line. These are all steel rivetted. The company has a complete outfit for pipe-making here, and makes up all its piping, connecting-pieces, &c. This new plant cost £3,486. The company, in addition to this, has plant which cost £3,865. This includes about a mile and three-quarters of 13 in. 10 in. and 7 in. steel pipes, electrical plant, sawmill, &c. The result of using this very large pipe-line is that the company has now a little over three times the efficiency for operations it had with its old plant, and with ordinary weather can do fully three times the work it formerly did. . . . Either of its elevators will lift, and does lift when fully at work, 10,000 tons per week on an average at the upper paddock to an elevation of 45 ft., and at the lower paddock 46 ft. 6 in. The pressure-gauge at the lower paddock when the plant is all at work registers 132 lb. per square inch.

"*Labour employed, and Expenditure.*

"There are, on an average, about fifty hands employed about the claims and water-races, and there was paid for wages last year a sum of £6,272 16s. 8d.; for local management, salaries, &c., £519 4s.; for ordinary working-expenses, about £250. The total expenditure for last year for wages, salaries, races, new plant, &c., was £13,712. The company, of course, will not be subjected