

Barrytown, Charleston, and other localities will, when the projected water-races have been constructed, also furnish employment to large numbers of men, and consequent increased production of gold. The opening of new ground at Kumara by the construction of No. 5 tail-race, and the additional storage at the Loop-line Dam, will tend to increase the returns by the maintenance of a more regular water-supply, recent prospecting operations having demonstrated the existence of payable deposits at the lower levels in this district.

OTAGO DISTRICT.

Maerewhenua.

This field still maintains a limited population. The extent of land worked on the Livingstone portion of the field is about three miles in length by three-quarters of a mile in width. The wash generally consists of 3 ft. of surface sand overlying 6 ft. of blue shell-stone boulders, under which lies 10 ft. to 15 ft. of gray sand, which overlays about 4 ft. of green sand, under which is about 2 ft. of quartz-gravel wash lying on the "Maori bottom." The gold is chiefly found in the quartz wash and green sand, but, as the stripping has to be removed, it will be seen that an ample supply of water is required to sluice the whole face. Several parties also work out the wash lying on the "Maori bottom" by driving, and are dependent on the rainfall in order to wash up. There is one elevating plant on the field, owned by Christian and party, who work to a depth of 30 ft. About twenty-six men are employed in sluicing and eight men in driving out the washdirt in the Livingstone district.

Maerewhenua Range lies on the opposite side of the Maerewhenua River to Livingstone, and the area over which gold is worked about the same. There are two water-races brought in from the left-hand branch of the Maerewhenua, and several other races from small creeks, together with catchwater dams. All the water at present available throughout this district is insufficient to meet the requirements, and, unless a further supply can be obtained, no increase in the number of claims worked is probable. The number of men employed is about thirty-six, and the average earnings do not amount to ordinary wages per man.

The Mountain Hut Water-race is not yet completed. Should it, however, be practicable to bring in the five heads of water to the point to which the survey of the race was made, a considerable area above the level of the other water-races could be worked to advantage.

Naseby.

Mason and Company's claim at Spec Gully is worked by ground-sluicing, with a pressure of 300 ft. supplied by 13 in., 11 in., 9 in., and 7 in. piping, with a Little Giant nozzle. About two sluice-heads and a half of water are available. There is an elevating plant on the claim, but it is not now in use, owing to scarcity of water. There being an ample fall from the terrace workings, a return of 1 gr. to the yard is payable in most of the ground, only one man on shift being necessary to keep the work going. Three men are employed.

A considerable number of men are engaged on the terraces near Spec Gully, and obtain water from the Government race. There are also a number of small parties of men making a living by working the old ground.

In Mulholland's Gully and Robinson's Gully the workings are chiefly carried on by the Chinese.

Several parties are engaged in operations in Wet Gully, with fair success.

In Enterprise Gully Young and party continue to work their claim, the ground being about 40 ft. in depth. They hold a water-race capable of conveying three sluice-heads of water, and are meeting with fair returns. Several other parties of Europeans and a number of Chinese are engaged in sluicing operations in the gully below Young's claim.

Hogburn, or Main Gully: Inder Brothers, John Hore, Baxter and party, and Read and party are working their claims on the elevating system. A number of other claims have also been marked out, the ground being taken up in large areas extending for fully four miles and a half along the gully. It is intended to work these claims by elevating, but it will be necessary for the main water-race to be enlarged in order to secure a sufficient supply of water to do this.

Guffie, McLaren, and Paisley hold a 100-acre claim about a mile and a half below the Township of Naseby, and are elevating with water from the Government water-race with a pressure of 100 ft. for three sluice-heads and a half. The yield per cubic yard is about 7 gr., and the owners are so well satisfied as to the prospects of their claim that they are erecting a second elevating plant; but their operations have been hampered by the lack of a permanent water-supply, the time worked during the year being only equal to four months. They report their return of gold for the year at about 400 oz., valued at £1,560. It is intended to put a dredge on the claim to supplement the two elevators.

Three other elevating claims have been at work during the past year, which worked night and day whenever water was available, all it is understood with good results. On four others in same locality plant is now being got ready to be placed in position before winter sets in.

The total value of water supplied from the Government water-race during the year was £1,580 1s. 10d. The average number of miners supplied with water was 66.5, an increase of 5.25 over that of last year, and the approximate quantity of gold obtained by parties using water from the race was 3,157 oz., valued at £12,154 9s.

During my visit to this district in November last, in addition to the five parties elevating in the Hogburn Gully, ten parties of Europeans and twenty small parties of Chinamen were employed. These were scattered over the gullies from Kyeburn to the Township of Naseby. Altogether about a hundred Europeans and seventy Chinese are working.