CALLAGHAN'S.

J. Manzoni continues to drive his low level. This will be quite a boon to the district as soon as it is completed.

Havill Brothers are a very energetic party, and have brought in a long tail-race to enable them

to work their deep ground.

Cook and Honey employ four men, which could not have been done had they not been assisted in their long tunnel tail-race.

DILLMAN'S, KUMARA, CAPE TERRACE, AND HAYES TERRACE.

Garner's Claim.—G. Garner employs four men sluicing. He is now opening up his face, and should be in a position to deal with the washdirt on an extensive scale. The channel works well.

The Kumara Long Tunnel Company, for the first part of the year, continued to sluice, with profitable results, employing five men; towards the close of the year the channel unfortunately collapsed.

Pug Hill continues to employ nine men, with payable results. Extensive repairs are being made to No. 4 channel, to permit of some of the deeper ground being worked.

Evendon and G. Lawrence continue to sluice with profit, employing three men.

Evendon and Court continue to sluice with profit, with three men. All workings are in good order.

Bell and party, of five men, when water is available, continue to sluice. As the water slackened off they made everything ready for a steady supply from the new Kumara water-race extension.

Fenson Brothers (three).—For the period when the water was available their washing was of a profitable character.

Loman and Party (five).—By conservation of water, this party has been enabled to work with profit. Since Loman purchased Burr's rights everything has worked much better.

DUNGANVILLE.

Irving and McCracken (subsidized tunnel).—The material passed through in repairing their tunnel and its extension yielded 28 oz. 8 dwt. 19 gr. of gold. The air became so impure that I had to order a cessation of work until proper ventilation was obtained. This is now being attended to.

There are seven other aged men known as "hatters" in this district getting a few pennyweights

of gold annually.

BARRYTOWN.

This once rich district is now almost deserted by miners. They have given their attention to pastoral pursuits, with the exception of Messrs Kay and White, who, by dealing with the extensive deposit of sand on a large scale, find remunerative employment for fifteen men.

WHITCOMBE PASS.

The prospectors, Messrs. Singer and North, have dissolved partnership. After pegging out a prospecting-area of 100 acres they left the district, as they could not get capital to develop the property.

ACCIDENTS.

1st June, 1911.—Florence O'Brien wrenched his back whilst trucking in the Gold-mining Company's mine, Wilberforce. He was attended to by Dr. Teichelmann.

15th June, 1911.—Charles Heil was killed in the Wheel of Fortune Mine, Stafford, by the breaking of the elevator ladder. An inquest was held at the Courthouse at Stafford, the verdict being that death was due to an accident which could not be prevented, and that no blame was attached to any one.

10th July, 1911.—Enoch Growcott, miner, whitlow caused by a jar whilst lifting a stone at Back Creek.

29th August, 1911.—John Holley had his leg dislocated by a fall of débris whilst working in the mine with his brother, William Holley, South Spit.

6th September, 1911.—Albert William Upjohn, injury to side and chest by falling into washdirt paddock, claim known as Cooper's.

25th September, 1911.—Alfred Richards, whilst working in Havill's claim at Callaghan's, was

injured by a stone coming out of the face.

18th October, 1911.—Walter Thomson was knocked into the race by a stone at Mont d'Or, Ross, and washed down to the tail. At first it was considered very serious, but the injured man recovered.

I have, &c.,

A. H. RICHARDS, Inspector of Mines.

The Inspector of Mines, Dunedin, to the Under-Secretary, Mines Department, Wellington.

Office of Inspector of Mines, Dunedin, 30th March, 1912.

I have the honour to present my report on the gold-mining industry in the Southern Mining District for the year ended the 31st December, 1911.

QUARTZ-MINES.

Barewood Gold-mining Company (Limited), Barewood (H. S. Molineaux, mine-manager).—In the early part of the year the principal work in progress was the driving of the crosscut at No. 6 level a depth