

gold in payable quantities. I have no reason to suppose there will be any change in the prosperity of No Town and its vicinity during the ensuing twelve months.

*Moonlight.*—This is the only part of the district in which the miners may be said to have benefited by the late dry weather, for they have in consequence been able to work in the bed of the creek to greater advantage than in any preceding year. I regret to say nothing more has been done towards prospecting the quartz reefs in this neighbourhood.

*Black Ball.*—This creek, after having been deserted, is again attracting attention, and many are of opinion that a small lead has now been struck that will be traced for some distance, and will ultimately lead to something better being discovered. A store having lately been established here, the miners will not be put to such inconvenience as they were formerly subjected to (*viz.*, in having to cross the Grey River to obtain their supplies), and which was, I think, one reason of the place being rather hastily abandoned some time ago. I have been informed by some of the miners here that large seams of coal exist in the neighbourhood, but I have not had time to go to the spot myself, and therefore only speak from hearsay. I have, however, no reason to doubt the report made to me.

*Bell Hill.*—I had hoped I should have been able to state that the large water race which was in course of construction here had been completed, and had brought with its completion a large access to the population. I regret to say such is not the case; the water race has never been properly finished, although a large sum of money has been spent and a great deal of work done. As an instance of the value of ground here, I may state that during the hearing of a suit before me in the Warden's Court between the proprietors of the water race and a party of miners, it was proved in Court that a *bona fide* offer of £10 per week for one year, payable in advance, was offered for the use of one sluice-head of water. I have before stated (in former reports) that there is a vast extent of payable sluicing ground in this neighbourhood, and a large water race is alone wanting to open up an almost unlimited amount of auriferous country.

*Nelson Creek.*—Were it not for the hope the inhabitants entertain of the ultimate completion of the Hochstetter Water Race, I think the season we have had would have driven them all away to seek employment elsewhere. The men here have literally done nothing for months, and it is a strong proof of the confidence entertained by them in the ultimate prosperity of this place that only those compelled to leave by sheer necessity have done so. I have been credibly informed that for miles along the proposed course of the Hochstetter Race the ground has been carefully prospected, and found to be of such a character that with a constant supply of water it would yield splendid returns. Nelson Creek has perhaps been more seriously affected by the long drought than any other portion of the gold field, and, as a natural consequence, business and mining matters have been very dull indeed.

*General Remarks.*—The necessity for the immediate construction of one or more large water races in this district becomes more and more apparent every year, and I must urge the Government to spare no effort to bring about the formation of the Hochstetter Water Race without losing a day longer than is absolutely necessary.

The main line of road from the Arnold to Ahaura (now in course of construction) will prove a great boon when finished, and will have a very material effect in reducing the cost of carriage from the port to the various mining centres. I learn with much satisfaction that the stock road from Ahaura to the Amuri will shortly be commenced; and there is no doubt, when this work is finished, almost the whole of the cattle trade on the West Coast will be transacted at Ahaura.

I would suggest the completion of the following works, which are urgently required—*viz.*, the construction of a pack track from No Town to Bell Hill, and also from the former place to Red Jacks. Neither of these works need be of an expensive character, a rough bush track fit for pack-horses to travel being all that is needed at present.

The road up Nelson Creek from its junction with the main road requires repairing and continuing up to Hatter's Terrace, and from that place a rough pack track should be taken up the creek for a distance of about four miles. A good foot track from Hatter's Terrace to Callaghan's Creek is very much needed, and one that I should recommend being made at once. A small outlay on the existing Napoleon road from Matthew's to Topsy would enable drays to take stores from Ahaura to the new rush at Orwell Creek, and is a work that is urgently required. It would be a permanent improvement to a road leading to a portion of the district likely to last for many years to come. It is desirable that a foot track be cut from Duffer's Creek to Noble's, as the difficulty in getting to the latter place is very great and sometimes dangerous. I feel certain that if some of the tracks I have recommended were cut through, the country miners would travel about from place to place more than they do at present, and prospecting would follow as a natural consequence, and hence important discoveries would be made.

In a former report I pointed out the necessity of a dray road from Cobden to Coal Creek. I would again draw attention to this matter as a work that should be attended to, as the farmers at Coal Creek have no way of bringing their produce to market except by small boats, which is both tedious as well as dangerous.

I would again point out the necessity of introducing some measure having for its object the suppression of the nuisance caused to the residents in this district by owners of pigs, goats, &c., allowing these animals to wander at large in the way they are in the habit of doing at present. I trust the year may not be permitted to pass without some good gaol buildings being erected at Ahaura, the present structure being wholly unsuited for the purpose required, it being impossible to keep debtors and criminals, lunatics, and females, as completely separate as they should be.

It is desirable that the hospital building should be placed in proper order for the reception of patients needing medical attendance, either temporarily or until such time as they can be forwarded to the district hospital. I believe it is contemplated (should sufficient inducement offer) to bring a race into Ahaura for the purpose of supplying the inhabitants with water for domestic purposes. I hope some encouragement may be given by the Government to the scheme; and I would suggest that a sum of money be placed on the estimates as a bonus to any persons bringing in a permanent water supply to the township.

The extent of ground taken up under the Agricultural Leasing Regulations steadily increases, and I wish it were possible to hold out greater inducements to *bona fide* settlers on the waste lands of the