

Some trouble has been caused at Westbrook by the mining operations damaging freehold lands. The whole question of freehold lands and agricultural leases within gold-mining districts will be subsequently dealt with in this report; so it is unnecessary to allude further to it at present.

It has been considered necessary to dispense with the sittings of the Resident Magistrate's and Warden's Courts at Greenstone; and cases and applications from that place are disposed of every fortnight at Kumara. The Clerk to the Bench visits Greenstone every Monday to issue miners' rights and receive applications, &c. The Courthouse is in a state of decay, and will probably fall down within a short period.

A discovery of gold was made in May last near the mouth of the river Teremakau on a Native reserve leased by Mr. John Noonan. Great excitement prevailed at Kumara in consequence, and I entered into negotiations with the lessee to cede it for gold-mining purposes under special permit if the ground proved payable. A rush ensued, but the miners were dissatisfied with the prospects obtained, and speedily returned to their claims. Mr. Noonan and his partners still persevere in working the reserve, as they are of opinion that the beach black-sand leads run through it, and some very rich claims were formerly held in the immediate neighbourhood.

Beach-mining between the rivers Teremakau and Grey has fallen off very considerably. There are still some claims being worked; but on the whole the result of mining operations during the past year in this part of the district cannot be pronounced to be either remunerative or satisfactory. Several questions have arisen in consequence of trespasses on the railway reserve. In some instances the miners assert that their holdings or easements were taken up prior to the proclamation of the reserve, and in others they produce certificates granted by the Warden, which, although issued in contravention of section 7 of "The Mines Act, 1877," are relied on as entitling the holders to occupy the reserve, and also to claim compensation from the Crown for any infringement of their supposed rights. Inland from the beach are situated the mining localities of Rutherglen, Marsden, and Welshman's. These still support a considerable but scattered population, who are holding as a rule what may be described as payable claims.

All cases or applications arising on the South Beach, Rutherglen, Marsden, and Welshman's are heard and disposed of in the Warden's Court at Greymouth every Monday. During the twelve months preceding the 31st March last, 140 applications were made for various rights and 110 were issued.

The New River and Hibernian Water-races, on which the Government made advances under the Public Works Act, have never been completed, and the portions constructed have, from neglect, ceased to be of any value. I would beg to recommend that the Government should take possession of these races in accordance with the agreements entered into between the companies and the Government. The non-cancellation of the leases of these rights tends to lock up the country, and prevents the granting of applications to divert water made by miners who desire to take up claims in that neighbourhood.

The Township of Clifton was gradually deserted for Dunganville. There are still a number of miners in this portion of the district, and the yield of gold from the claims is satisfactory. At Maori Gully (Arnold) there is an evident decrease in the number of the European population; and the frequent transfers of water-races and other privileges to Chinese miners show that but few payable claims are at present held there. I have reason to believe that a large extent of auriferous land exists in the but partially-explored country between Maori Gully and Lake Brunner, the development of the mineral resources of which may again make the township of greater importance than it now appears to be.

At Clifton or Dunganville 135 applications for privileges and easements were lodged, and 124 were granted. At Maori Gully (Arnold) 119 were applied for, and 101 granted during the twelve months ended 31st March last.

Having thus briefly described the present condition of mining matters within that portion of the Westland Mining District which is included in the County of Grey, I will proceed to report on that division of the Nelson South-west Mining District which is within that county.

The Cobden and Seventeen-mile Beach division, commencing at the River Grey on the south and terminating at the Razorback Range on the north, is probably the least developed but most valuable field for gold-mining in New Zealand. The auriferous character of the country on the western side of the Paparoa Range, extending from the River Grey to the Buller, is well known. There are no mining operations carried on at present in the immediate neighbourhood of Cobden. At Point Elizabeth a few claims are still held, and pay fair wages. At the Seven-mile Bluff there are five claims—two on the beach and three inland. The results are unsatisfactory. The Nine-mile Bluff is in much the same condition. The superior attractions of the Seventeen-mile Beach have caused the mining population to migrate from these localities. Between the Nine-mile and the Seventeen-mile Bluffs there are a few parties who work on the beach when the tides are suitable.

For many years working the beach-claims between the Seventeen-mile Bluff and Razorback Range had been successfully carried on. The Paparoa Range, running parallel to the beach, had hardly been touched by miners until Mr. R. H. Wessels proceeded to prospect it. He was so far successful that, in September, 1879, he reported a discovery of gold to the late Mr. Warden Broad, who granted him a prospecting claim. The rush to the Seventeen-mile Beach then commenced, and the population has continued to steadily increase, notwithstanding the difficulty of transit of goods, and that all articles required for building (except timber) and all the necessities of life (except meat) have to be carried on pack-horses, at a cost of 2d. per pound.

After passing the Seventeen-mile Bluff, a sandy beach extends northward for ten miles. Between this beach and the foot of the Paparoa Range is an extensive flat, which, at its southern and northern extremities, is only a few chains in width; but between those points the hills gradually recede. The widest portion of the flat is about a mile and a quarter. It is seventy chains from the beach to the township, which is reached by a good gravelled track constructed by the county authorities.

The mining claims are situated on the hill and terrace immediately behind the town. Two leads of gold are being worked in several of them. Some heavy pieces of gold have been found on the range