

Gold.—I estimate the produce of gold for the year at 32,000 oz., which I believe to be correct, but there is no official record to check calculations by

Mining.—There have been no new discoveries during the year of much importance. A rush took place during the month of December last to land situate on the southern bank of Teremakau River, between a farm known as Hughes's, and Noonan's Hotel, but the parties who tried it were unable to obtain sufficient prospects to justify them in setting in to work; they have now all left it with the exception of the prospectors.

Larrikin's Terrace and Dunedin Flat.—A large number of claims, situate at Larrikin's Terrace and Dunedin Flat, which were taken up at the commencement of the rush as ordinary claims, have been worked out by driving process, and the parties which held them are now applying for land in larger areas, which they intend sluicing as soon as the Government Sludge-channel is ready for that purpose.

Government Sludge-channel.—The first section of this important work is now completed, and the second just commenced. It is expected that the channel will be ready for miners to sluice into in about four months. This will be a great convenience, and beneficial to the district generally. Several parties have already commenced cutting races into the channel so as to be ready for running their tailings into it as soon as it is declared open for that purpose. While the first section of the channel was being constructed a fair sample of gold was obtained, at a depth of about one hundred feet below the ground at present being worked on Dunedin Flat.

Long Tunnel Tail-race.—This company was formed some three years ago for the purpose of cutting a tunnel tail-race from Teremakau River to Shamrock Lead, to enable them to work ground in that neighbourhood by means of sluicing. The tunnel has already been driven to Shallow Lead, a distance of about two thousand feet from the commencement, and it is proposed to drive it two thousand feet further, to Shamrock Lead. At present there are sixteen men employed in driving the tunnel, and as soon as they commence sluicing, which will be in a very short time, they expect to be able to give employment to a much larger number. This race will be the means of opening up the whole of the gold fields west of the Government Sludge-channel. The depth of the race at its present termination is one hundred feet.

Government Dam, Kapitea Creek.—During a very heavy fall of rain on the 12th of March last, the dam-bank of the Government dam in the Kapitea Creek gave way, through the great pressure of water. This will be a considerable loss to the district, being the principal source of supply for the Kumara Gold Field. I understand that it will take three months at least to repair the damage done. As a rule, miners seem satisfied with the result of their labours. Some of the claims in the district are paying well, principally sluicing claims, although there are undoubtedly some poor ones.

When I took charge of this district in October last, fortnightly sittings of the Resident Magistrate's and Warden's Courts were held, but I soon found it necessary to attend weekly

Prospecting.—A prospecting association was formed here in June last, and prospecting has been going on by the parties they have organized since that time, but up to this date they have not met with much success. I should mention it receives Government support under the Prospecting Rules.

I have, &c.,

H. A. STRATFORD,

Warden.

The Under-Secretary for Gold Fields, Wellington.

No. 11.

MR. WARDEN GILES to the UNDER-SECRETARY for GOLD FIELDS.

SIR,—

Warden's Office, Hokitika, 28th April, 1881.

I have the honor to forward the usual statistical returns for that part of the Westland Gold Fields under my charge. The general state of the gold field is much the same as it was last year. Such particular points as deserve attention will be mentioned in connection with the subdistricts to which they relate.

Hokitika and Kanieri.—I mentioned last year the prospecting operations of the Hokitika District Prospecting Association. This association has continued to employ small parties of men prospecting in various parts of the district up to the present time, but hitherto without any success at all. The total amount actually paid to this association by Government in the way of subsidy is £169 12s. 6d., which will be raised, by amounts still due for work done within the twelve months ending the 31st March, to a little over £200. A great many shafts have been sunk, but in no instance has gold been found in sufficient quantity to pay for working.

Waimea.—This district contains two centres, the Townships of Stafford and Goldsbrough, at each of which a Court is held in alternate weeks. The new Courthouse at the former place, lately obtained at a very moderate cost, has proved a great accommodation to the residents, who would otherwise have had to go to Goldsbrough to transact all their Court business. The gold mining of this district is largely dependent upon the water obtained from the Government race, and any interruption of that supply is severely felt by the miners. This race sometimes breaks away in floods, and the loss of water thus caused, unless repairs are promptly done, adds materially to the general damage caused by large floods in the Waimea Creek and its tributaries. The largest and most disastrous of these floods that has occurred for many years was on the 12th March last, when a very great amount of damage was done to mining property in that locality.

Litigation in the Waimea District has considerably increased during the year, the number of cases shown in the present return being 49, as against 34 in the previous year. The causes of this were partly described in my last report, and they are still in full operation. The creeks and watercourses become more and more filled up with tailings, the level of the beds being raised many feet higher than it was in former years, and the rights which were then granted have by this means become quite altered, both in the mode in which they are capable of being used and in their bearing upon other rights, which some years ago could scarcely have been expected to be ever likely to interfere with them. This com-