

General.—The number of miners' rights issued during the year is 358, as against 228 for the preceding year; and 214 applications were dealt with, the number in the previous year being 55. The population of the district continues to increase steadily, but there is not a corresponding increase in the number engaged in gold-mining pursuits. The yield of gold last year is not up to the average of recent years, but the activity now shown in opening new claims points to the probability of an increased yield in the immediate future. The Westport Harbour works have been pushed on with considerable vigour, and the results attained are eminently satisfactory, vessels carrying 900 tons of coal having crossed the bar on several occasions recently. The quantity of gold exported from Westport during the year was 8,782oz. 4dw. 14gr., the value of which was £35,131 8s.

Lyell Sub-district.

There is, unfortunately, very little change in the prospects of this district to report on.

The United Alpine Company continued operations in their mine, working from their No. 6 Level up to about March last, and at the same time proceeded with the driving of their No. 7 Level. They have lately let the last-mentioned level by contract, and have also let two other portions of their mine to two different parties on tribute. Operations are being carried out in the same manner at the United Italy and Tyrconnell Company's Mines, both having been let to tributers.

At the Maruia claim work is still being steadily pursued.

The Lyell Creek Company are still driving their low-level tunnel, and appear to be as sanguine as ever in the belief that they will intercept the same line of reef as that which exists in the United Alpine Company's ground. This tunnel has now been driven a distance of 2,500ft.

The mining operations at the Owen reefs did not give very satisfactory results, as the yield of gold obtained from the various mines tested did not in any case approach the estimate; but I am pleased to be able to state there seems to be a reaction taking place there, for it has been discovered that silver exists in large quantities. Ten leases have already been applied for, with the expressed intention of working them for a return of silver.

A small alluvial rush has recently taken place in the vicinity of Murchison, and is paying very good wages to those who are already on the ground. It is estimated that there are about 170 men there at the present time.

Very few changes have taken place in any other portions of the district since the last report was sent in, and, taken altogether, its condition is nearly as prosperous.

Charleston Sub-district.

There has been but very little change in mining matters in this portion of the district since my last report. Some applications for special claims on the Totara and Ohini Rivers have been made, and several fresh claims have been applied for on the Nine-mile Beach. It is reported good prospects have been obtained at the Four-mile, but nothing is known as yet as to the genuineness of the finds. The population remains about the same, and the yield of gold gives fair wages to those employed.

I have nothing further of any great importance to add; but I may state that taking into consideration mining matters generally, I have every reason to believe that the quantity of gold to be obtained during the next two or three years will at least equal, if not exceed, that of the like period in the past, and I believe, on the whole, the populations of the districts under my charge is steadily increasing, and the increase will be permanent.

The Under-Secretary, Mines Department, Wellington.

I have, &c.,

FRANK BIRD, Warden.

No. 9.

Mr. Warden BIRD to the UNDER-SECRETARY of MINES.

SIR,—

Warden's Office, Reefton, 2nd May, 1888.

I have the honour to forward to you herewith the statistical returns for the year ended 31st March last, and to report generally upon this portion of the district under my charge.

The result of the past year's operations have not been so successful as they promised to be at the date of my last report, the calls being heavier, and the yield and dividends smaller. The latter is attributable, in a great measure, to the falling-off in the yield of gold from the Keep It Dark Mine, which for years has declared dividends with great regularity. The calls have been heavier, in consequence of a number of companies having to do a large amount of dead-work. These works however, are nearing completion, and the companies will therefore shortly reap the fruits of their labours. The success of the Globe Mine drew attention to that portion of the district, and a fair amount of prospecting was done, resulting in discoveries being made in Merrijigs and Big River Districts, more particularly referred to in the report on the different mines.

The calls for the year amounted to £30,432 5s. 10d. and the dividends to £17,550, the dividends being less than the calls by £12,882 5s. 10d. The quantity of quartz crushed was 24,403 tons, from which 16,775oz. of gold were obtained, the value of the gold being £66,030 11s. 5d. The yield of alluvial gold is slightly in excess of that for the previous year, being 3,819oz., of the value of £14,511 10s. 6d. Since the district was opened, up to the 31st March last, 405,956 tons of quartz have been put through the batteries, from which 324,233oz. of gold have been obtained, the value being £1,257,740, out of which amount £422,844 has been distributed in dividends. The total yield of alluvial gold is 91,815oz., valued at £333,741. This gives a grand total of 416,048oz. of gold, of a value of £1,591,481. The following table will give the calls made in the different