

prospecting area there may be valid objections raised in the Warden's Court, in face of which the Warden may not see fit to recommend the grant, and even if it was recommended, the Minister of Mines might refuse his consent; hence the necessity for investors looking to the validity of the so-called titles held by promoters, and offered to the public for subscription. Many such companies are floated on the strength of the names of the promoters without seeming regard to either titles or value of property put on the market, the work of flotation goes on apace, the shares are taken up, and before application is made for a special claim, or the ground surveyed, shares are quoted at a premium in companies who have absolutely no permanent title of any value to the property they are offering to the public.

The demand for dredging areas is as keen as ever, and so long as the company-promoter can place his property on the market as a prospecting area, he will not go to the trouble and expense of getting a valid title. Such procedure is detrimental to legitimate mining, but can only be put a stop to by the public refusing to invest in such ventures. In this connection I may be allowed to give a note of warning, not to the professional speculator, but to the investing public who may be led astray by a cunningly drawn prospectus. I am not saying that any of the claims taken up and placed on the market are valueless as gold-mines, for in a highly auriferous country like the West Coast, one never can tell where alluvial gold may be found in payable quantities; but if the investor puts his money into a venture where he expects to get a return in dividends declared from the gold won from the mine he should see to the validity of the title, and that reasonable proof is forthcoming that the gold is in the ground. It must be apparent to any one who gives the matter the least thought, that to be reasonably safe, the ground should be thoroughly proved by boring, shaft-sinking, or, better still, by sinking cylinders, and when water is met with, using air-locks. This latter method is the only one by which our river-beds and lagoons can be successfully dealt with, and the sooner company-promoters realise this the better. That we have large areas fit for dredging is admitted by most of the mining experts who have been here, and I have no doubt we have, but let us be careful to see, not only that claims are taken up in likely places, but that they have been honestly prospected with satisfactory results before they are offered to the public.

The difficulties arising out of such a rush of application for dredging areas are many, but the most serious is, that of the regulation dealing with the time allowed for getting to work. Parties, having secured their ground, are granted six months to procure and erect their plant, and if good cause can be shown, another six months may be granted—that is, if reasonable diligence has been shown in the erection of the plant; but, with hundreds of dredges to be built and erected on the West Coast alone within twelve months, and taking into account the present output power of all our foundries and machine-shops in New Zealand, and the scarcity of skilled labour for pontoon-building, I fear that only a small number will be able to comply with the mining regulations as they at present exist. To get over the difficulty a larger discretionary power must be placed in the hands of the Wardens, when dealing with dredging companies whose *bona fides* are undisputed. This can be done by amended regulations.

The Humphries Gully Company have a large number of men at work on race-construction to carry water from the Arahura River, and until this is finished the supply will at times be inefficient and intermittent. A large amount of money has been expended on this property by the present as well as by the original company, and the early completion of the present company's extensive hydraulic works is looked forward to with considerable interest.

Individual mining is almost at a standstill in the Arahura Valley, but, looked at from a dredging point of view, we may look forward to a period of great activity on this river. A great number of prospecting licenses were and are being applied for on this river, and a number granted, but all proceedings were stayed when it was found that the Natives laid claim to the whole river-bed, from the sea to its source. Applications were held over to enable the Warden to state a case for the Supreme Court. This was done, and His Honour the Chief Justice decided that the Natives were entitled to the river-bed within and fronting their reserves, so that the Warden's jurisdiction was ousted, the remainder of the river-bed being Crown lands. Nothing is known as to what action the Public Trustee will take in the matter. This river is highly thought of, as likely to prove payable and suitable for dredging purposes. In the meantime, as far as the river-bed in the reserves is concerned, the matter is in abeyance.

Dwyer's tunnel on the south side, going towards the Blue Spur, has now been driven about 3,000 ft., but, I regret to say, without striking payable gold. They have failed to find what is known as Boy's Run, which it was thought would be cut by this tunnel.

STAFFORD SUB-DISTRICT.

With the exception of the rush of applications for dredging-claims and prospecting areas, there has been no perceptible change in mining matters in this sub-district. Most of the miners hold extended claims of from 1 to 5 acres, and are making small wages. The only special claim at work is the Wheel of Fortune, and they are still engaged in development work in connection with their water-supply. Their elevating plant will also require remodelling, as in its present state, as shown by their published returns for the year, it appears to be totally inadequate to deal with the quantity of wash-dirt that would even cover working-expenses.

Another large undertaking is the Kelly's Terrace Tunnel. This is a subsidised drainage-tunnel, managed by trustees, designed to drain a large area of supposed auriferous country in Gillam's Gully and neighbourhood. 4,768 ft. has been driven, but, owing to a dispute between the trustees and contractor, nothing has been done since December last, and the work is now at a standstill. There is still 1,200 ft. to be driven before the objective point is reached, and before anything can be known as to the value of the ground to be drained.

A large number of beach-dredging prospecting claims have been applied for and granted in