

Taking the past operations as a guide, it is evident that the marine deposits on the fringe of the ocean will likely afford better results to dredging companies than river claims. For one thing, work on the beach claims can be prosecuted almost continuously, whilst in the rivers there is frequent interruption from flood, and also many other disadvantages to contend with. Even on the beaches it cannot be said that there is any warrant for the outlay of large sums of money in providing dredging machinery, but there is a reasonable prospect that dredges which have proven unprofitable on the rivers might with advantage be removed, and, with certain alterations, be set to work with profitable results on auriferous marine wash which can be found in many places along the coast-line in this locality.

Waiwhero Sluicing and Dredging Company (Limited), Barrytown.—Since the date of last report this company has been in full work with continuous sluicing, excepting when water was shut off for repairs, shifting plant, and other dead-work. The amount and value of gold won for the year ending the 31st March, not including a return yet to come in, was 1,416 oz. 9 dwt., at £4 per ounce, valued at £5,665 16s. The amount expended by the company in wages for the year ending the 27th February last was £3,855, much of which was for dead-work. The gold is fine, and occurs in black-sand gravel, but there is no difficulty in saving it, as the washing is cheaply and effectively performed on the excellent tables in use.

Coal-mining and Timber.

Coal.—Brunner Colliery: 1899, 103,085 tons; 1900, 125,403 tons; 1901, 127,016 tons. Black-ball Colliery: 1899, 65,300 tons; 1900, 82,516 tons; 1901, 79,152 tons.

Timber.—Quantity exported: 1898, 11,783,292 superficial feet; 1899, 15,116,175 superficial feet; 1900, 14,549,433 superficial feet; 1901, 16,939,982 superficial feet.

General.

The following is a return of cases disposed of in the Magistrate's and Warden's Courts at Greymouth for the year ending the 31st December, 1901: Civil, 212; criminal, 324; Warden's, 22.

The revenue for the year amounted to £5,700 13s. 10d., made up as follows: Warden's Court, £5,248 0s. 4d.; Magistrate's Court, £397 13s. 6d.; licensing fees, £55: total, £5,700 13s. 10d.

The particulars of revenue collected in the Warden's Court at Greymouth for the year ending the 31st December, 1901, are as follows: Miners' rights, £231 15s.; water licenses, £1 7s. 6d.; rents, £2,054 15s. 11d.; fees and fines, £78 10s.; miscellaneous, £2,881 11s. 11d.: total, £5,248 0s. 4d.

DREDGING CLAIMS.

Table A (appended) gives the number of prospecting licenses and special claims granted and expired or surrendered in my district for the year ending the 31st December, 1901.

As to prospecting licenses, it will be seen that 660 expired by effluxion of time during the year ended the 31st December last, and that they covered an area of 47,831 acres; while in the year 1901 the renewals and new grants only totalled 219, with an area of 15,837 acres. That shows a reduction of the number of prospecting licenses by no less than 441, and of the prospecting areas by 31,994 acres.

As, however, nearly all the special dredging claims have been granted out of prospecting areas, the above result of the numbers of prospecting licenses and areas expired may be reduced by the number of special dredging claims granted and the areas of those claims. There were 111 new special claims granted, with a total area of 7,495 acres; and, if these are taken from the net reduction of prospecting licenses and their areas, the actual total abandonment of prospecting licenses during the year 1901 may be put at 330, with areas to the extent of 24,499 acres.

The figures of acreage are not absolutely exact, since the surveyed areas of special claims do not entirely coincide with those of prospecting areas. The variance is trifling, and the above figures contribute one substantial testimony to the evidences of the decline of the boom of 1900.

Besides the above abandonment, it will be seen by the table that fifty special dredging claims were surrendered, with an area of 2,575 acres. Some of these surrenders were made for rearrangement or amalgamation in other special claims.

Table B (appended) shows that there were in my district, in the year 1901, thirty-one companies having dredges actually at work on their claims, two of which companies are now in liquidation. The total share capital taken at par on which these companies would have to pay dividends is £296,269, and besides this there is a debenture debt of £19,965.

The minimum normal annual working-expenses and repairs of an ordinary effective dredge, I am advised by a competent authority, should be put at £2,400; and this, with, say, the sum of £200 for office and directors' expenses, would make the total expenses £2,600 for the year, which for thirty-one dredges would make £80,600 a year. So that the thirty-one dredges would need to obtain 20,150 oz. a year, taking the ounce at a value of £4, to pay normal expenses, without paying any interest or paying off any capital.

I endeavoured to arrive at some average from B return of the full number of weeks per year a dredge might be expected to work, taking the week to consist of the full number of 128 hours. But owing to the want of details in the returns of some dredges I could only take fifteen dredges, and those fifteen excluded the Mokoia, from which I had no return of hours worked. Besides this, the greater number of the fifteen dredges had only begun to work during the year, and the first five months of working would hardly give a fair test of what the dredge would do when in full working-trim, both as to machinery and crew. I therefore abandoned the idea of drawing conclusions based on those data as unreliable and unfair to the industry.

Since the 31st March, 1902, however, a return of the yield and number of weeks' dredging of dredges at work in the district has been published in the *Greymouth Evening Star*. I have no