

Mr. Warden BUSH to the UNDER-SECRETARY for MINES, Wellington.

SIR,—

Warden's Office, Thames, 18th May, 1903.

I have the honour to forward the annual report on mining matters for the year ending the 31st December, 1902, within the Hauraki Mining District. The areas held under license on record at the different offices throughout the district approximately are as follows: Thames, 7,213 acres; Paeroa, 3,211 acres; Waihi, 4,233 acres; and Coromandel, 4,350 acres: making a total of 18,988 acres. In the Waihi Borough there are 1,141 men; in the County of Ohinemuri, 672 men; in the Thames County and Borough, 478 men; in the Coromandel County, 314 men; and on the Barrier Island, three men, employed.

Although one hears so much about the dullness in mining, yet it is satisfactory to report a steady increase in the output of gold, which for the whole field amounts to £701,256 16s. 11d.

The increase for the first quarter of 1903 as compared with the first quarter of 1902 is £32,561. Should the present output continue there should be a very substantial increase in the gold-production for the current year.

The most consistent of gold-producing mines for the past year have been the Waihi and New Zealand Crown Mines. The monthly returns of the former mine have now exceeded £53,000, and those of the latter, with a fifth of the battery-power of the former, range between £6,000 and £7,000 per month.

The Komata and Talisman Mines are again crushing, and making fair returns.

The Waitekauri Company's mine, however, has not added much to the gold-product during the past year, nor has the Woodstock Mine, though the latter has made a few returns.

The Tairua Broken Hills has been a regular producer of gold for the last year. The monthly returns have been good and fairly uniform, the ore value being slightly over £3 per ton. The total yield from this mine to date is £31,478.

The Thames-Hauraki, May Queen, and Moanataiari Companies' properties have all changed hands recently. The freehold portion of the former company's property is advertised for sale by the Sheriff under writ from Supreme Court. The prospectus has been issued with the object of forming the May Queen and Moanataiari properties into one company, but so far no news of a successful flotation has been received.

The Mahara Royal Company's property at Tapu was sold recently, and purchased by an Auckland syndicate, who are at present working the same.

The Golden Belt, at Neavesville, is another property which has recently changed hands, the purchasers being the owners of the Tairua Broken Hills Mine, and it is anticipated that this mine under the new management will turn out a gold-producer.

There are many parties of tributers working in some of the Thames, Coromandel, and Kuaotunu mines, who have secured more or less gold.

The Bunker's Hill Mine, at Coromandel, has yielded some six or seven thousand pounds' worth of gold during the last four or five months.

A West Australian statistician places New Zealand as the fourth greatest gold-producing colony in Australasia during the past decade.

There has been considerable discussion locally of late as to devising some scheme for testing the lower levels of the Thames portion of the field. The general opinion is that a process of boring operations should be undertaken on different portions of the field, but so far no such operations have been commenced.

Some of the up-country mines have tried boring, notably the Woodstock, at Karangahake. It is rumoured that both the Waitekauri and Grand Junction Companies propose to make boring tests on their properties.

The time appears to have arrived for an alteration in the method of assessing the mines for drainage purposes. The present system of asking mine-owners how deep they desire to work before making the assessment is oppressive on the mine-owners who wish to avail themselves of the drainage facilities by working as deep as the pumps will enable them to, as they are saddled with the burden of contributing largely to the assessment, while those who intimate a desire to only work near the surface escape with light assessment, although the same pumping drains their mines to the same depth as that of the mine-owners who are carrying on vigorous works at a depth of 500 ft. or more. The present system is providing a species of continuous protection to those mine-owners who do little or no work on their properties, or who may be waiting for those bearing the burden and working as deep as the pumps permit to make some discovery to enhance the values of their mines. The present method seems to assist the non-working owners, whereas it should help those who are endeavouring to get down as deep as they can so as to test what is hidden there. At present the drainage system does not appear to be of very great assistance in enabling the deeper levels to be reached. The arrangements are on too small a scale for our present requirements. Some method is necessary which would cause all mine-owners to prosecute their operations systematically with one object in view—viz., to reach a depth of 1,000 ft. or more. In this way if one mine only was fortunate in unearthing something others would have reason to persevere with their sinking, but when perhaps one mine only is sinking, while the others are virtually looking on, the chances of success are very much reduced, which has a tendency to engender a feeling of despondency. The work is a large one, and success can only be attained by every mine-owner pushing on his workings to 1,000 ft. or more. The problem is a serious one to the Thames portion of the district, and is one to which a solution will have to be found at no distant date, some solution other than that the cost of pumping should be borne by the State.

The Hon. the Minister of Mines has taken steps to utilise the surface area of the goldfields by providing for pastoral leases ranging from 100 to 1,000 acres at cheap rental, thus while in no way interfering with the mining industry, yet affording an opportunity to those engaged in mining or