

been worked—and as to this being the case there cannot be the slightest doubt—the old rough ways of washing-up must be abandoned, and in order to make poor ground pay larger quantities of stuff must be sent through the boxes, and for this an abundant supply of water is required. The attractions offered by the Thames Gold Fields have certainly induced many to leave the County, but by far the greater number of those who left were driven away by the want of water for mining purposes. Cases of this kind come repeatedly under my notice; the ground is good—not supposed to be so, but actually proved to be payable—and the water for working it is not to be had.

The difficulties small parties of diggers now-a-days experience in Westland in effectually working the ground brings me to note the absolute necessity there is for encouraging mining operations on a large scale, by the granting large areas in the shape of “special claims” or “mining leases.” For many years I held a different view, but I am now as decidedly for as I was then against it. Only the very strongest reasons should induce the Government to refuse an application for a lease or special claim; for it is certain that most of the ground already worked, and the great extent of auriferous terraces still untouched, can only be profitably worked by companies. The Kanieri would have been abandoned and dead several years ago but for the “Victoria Co-operative Company,” and the “United Company;” and Tucker Flat, which for a long time has been looked upon as containing worse than “tucker” ground, will ere long be able to boast of four or five large water-wheels, if the special claim of ten acres I lately surveyed there for Rae and party be granted. They propose to erect a 50 feet water-wheel, and work the ground according to the plan pursued by the Kanieri Flat Companies; and I do not doubt but it will prove a success, and will lead to the formation of other companies for the purpose of working adjoining ground at Tucker Flat. What has been said about Tucker Flat I wish to have applied to all the other ground, creeks, gullies, flats, and terraces of both the Waimea and the Kanieri Districts. I am convinced that this is the only way to make Westland a permanent gold-producing country.

An entirely new feature in the County is the lately-discovered reefs up the Taipo River and in the Ross District. The former I visited a few weeks ago, and surveyed the five leases then applied for. The existence of a properly-defined reef has not been proved as yet; but the numerous blows of quartz cropping out along the top of Kelly's Range, six of which contain gold visible to the naked eye, warrant the supposition that a reef does exist. The prospectors and adjoining leaseholders, I am informed, are about to amalgamate, for the purpose of driving a tunnel several hundred feet below the crown of the range, and in three months hence we shall be in a position to form a correct estimate of the Taipo Reef discovery. Four leases have since been applied for, and more applications may be expected. Having had barely time to finish the survey of the leases before Christmas, I necessarily had to leave for my next visit the gathering of desirable information—such as the direction, the dip, and the position of the various quartz-blows; all these particulars I shall furnish for your information shortly. Some sort of road or pack-track to the top of Kelly's Range is wanted, and to procure good timber for the above purposes it is necessary to descend from 1,500 to 2,000 feet. Mr. O'Connor has, I presume, already reported about the best way to connect these reefs with the Christchurch Road by pack-track or road.

The principal rush during the last few months was to the supposed continuation of the Hauhau Lead, south of the Hokitika River. From the prospectors' claim I ran a line under the Hauhau Lead bearing for several miles, and about ten or twelve holes were sunk and bottomed on it, and proved duffers. Other holes were bottomed to the east and west of that line, and the terrace south of the prospectors' got by these means a very fair trial. The consequence of the failures mentioned was, that everybody concluded that the prospectors had struck a patch. So matters stood until a few weeks ago, when it was proved beyond all doubt that the lead was running along the terrace south of the Hokitika; that it had nothing at all to do with the Hauhau Lead, running in fact perpendicular to it. Since then a great extent of ground has been taken up, and Brighton seems the most flourishing of the alluvial diggings in the Kanieri District.

Of other rushes we had a few small ones in the Waimea District; the principal one of these was the one to the right-hand branch of the Waimea, near the Austrian Terrace. More than ordinarily rich the last six months seems to have been in “duffer rushes;” of these, however, enough could be learned out of the newspapers, and I therefore pass them over.

No new machinery was introduced in either the Waimea or the Kanieri District; and some of the old machinery reported upon six months ago, particularly the whims and smaller water-wheels in the Waimea District, have ceased work altogether, and others again were quiet for weeks, on account of the want of water during the extraordinary dry weather which we have had for the past six months.

With the exception of the decrease in population, things at the different mining centres in both Waimea and Kanieri Districts are the same as they were at the time of my last report, and I shall therefore not treat of them separately.

Regarding the roads and tracks in Waimea and Kanieri Districts, I have little to say. Nothing fresh has been done by the Government, and the Arahura and Kanieri Road Boards had scarce money enough to pay for a few small culverts and bridges. On the whole, however, I must confess that both districts are tolerably well supplied with pack-tracks.

The Chief Surveyor, Hokitika.

GERARD MUELLER,
District Surveyor.

Enclosure 2 in No. 2.

GREY MINING DISTRICT.

THE greater part of my report on this district six months ago will stand good at the present time, very few changes of importance having occurred in the interim. Both the population and the yield of gold are about the same; if there is a diminution, it is in the case of the latter, owing to the unprecedentedly dry season which Westland has experienced, which has told heavily against the miners in this district, who are indifferently supplied with water in the best of times. Were it not for fresh