

PAPERS

RELATING TO THE

ADMINISTRATION OF THE SOUTH-WEST GOLD FIELDS

OF THE

PROVINCE OF NELSON.

PRESENTED TO BOTH HOUSES OF THE GENERAL ASSEMBLY BY COMMAND OF
HIS EXCELLENCY.

WELLINGTON.

—
1872.

PAPERS RELATING TO THE ADMINISTRATION OF THE SOUTH-WEST GOLD FIELDS OF THE PROVINCE OF NELSON.

No. 1.

Mr. W. PITT to the Hon. W. GISBORNE.

SIR,—

Reefton, Inangahua, 25th May, 1872.

I have the honor to transmit a memorial from the inhabitants of Reefton for presentation to His Excellency the Governor of this Colony. The memorial was proposed at a meeting most numerously attended, and it was adopted without a single dissentient voice.

Extremely bad weather, and the difficulty attending communication between Reefton and the different lines of reefs, have prevented the Committee from obtaining all the names which we know have been appended to the printed copies of the memorial which have been issued. As these are received they will be forwarded.

Notwithstanding the delay just indicated, the Committee, and I may venture to say the community generally, confidently hope that the expression of feeling manifested by the signatures now transmitted, will induce His Excellency and his Government to consider favourably the prayer of the memorial.

I have, &c.,

WILLIAM PITT.

The Hon. the Colonial Secretary.

Enclosure in No. 1.

To His Excellency Sir G. F. BOWEN, G.C.M.G. Governor-in-Chief of the Colony of New Zealand,

The humble Memorial of the undersigned Inhabitants of the Inangahua District, in the Province of Nelson, New Zealand.

SHOWETH,—

That the district in which your memorialists reside comprises a vast tract of good available agricultural land, and has long been known to possess in various parts a considerable extent of auriferous alluvial country, sufficient, under favourable conditions in the way of roads and tracks, to support a large population; in addition to which during the last two years there have been discovered quartz reefs of almost unprecedented extent, and of undoubted richness.

These resources have attracted to the district a population of over 3,000 souls, and have also attracted the attention of capitalists in all parts of the Colony, and even to some extent, which is fast increasing, in the neighbouring Colonies. The confidence of all these in the permanency and value of the district is evidenced by the vast amount of work done, and the very large sums expended in the purchase and fixing, in almost inaccessible country, of powerful crushing machinery; while further extensive orders for machinery have been or were about to be forwarded to Melbourne and elsewhere.

Notwithstanding all these great natural advantages, and the opportunities afforded for fostering and encouraging the early development of such a valuable part of the Province, the Nelson Provincial Government has systematically, and, it would appear, has studiously ignored its responsibility towards this district. Whilst drawing monthly an almost incredibly large revenue from the miners, they have abstained from making any provision for supplying the many vitally pressing wants of the community, which wants, had it not been for the prompt and vigorous action of your Excellency's Government, might have resulted in the most deplorable consequences.

Your memorialists, in common with the whole of the Nelson Gold Fields population, have for years been conscious of the incapacity of the Nelson Provincial Executive to administer efficiently the affairs of those fields; but the experience of the last year's mal-administration has so completely demonstrated that incapacity, that the future well-being of this important district will be unnecessarily retarded, if not altogether frustrated, unless your Excellency and your Government interpose to save us from the hands of the Nelson Provincial Executive.

Detailed instances might be multiplied in proof of our general statement; but we, your memorialists, will rest satisfied by placing before your Excellency a few, to justify their assertions, and they indulge in the hope that the wrongs suffered may soon be remedied.

The neglect of the Nelson Government to make provision for roads of any kind, although the necessity has been repeatedly pressed upon them, both through the public press and by their own officers, strongly proves their want of sympathy with this district, and their determination to follow a do-nothing, instead of such a progressive policy, as alone is suitable to a vigorous young settlement like this.

Again, the large tracts of country in this district, instead of being long since surveyed, and sold to the numberless persons who would have gladly availed themselves of the opportunity, and so have contributed to the great desideratum of the day—settlement of the country—have been allowed to lie waste, and totally unproductive. It is true, some comparatively small quantity has recently been surveyed for agricultural leases. But it is respectfully submitted that such a course is inconsistent with a sound and wise policy, and is altogether inadequate to supply what we all desire; the permanent settlement and improvement of the country. This policy the Nelson Executive seem to regard as a chimera, and hence your memorialists have no faith in them.

But these instances of shortsightedness and incapacity sink into insignificance besides the last instance of entire want of capacity with which the Nelson Executive have, your memorialists sincerely hope, closed the history of their inaptitude to administer the affairs of a district like this. Without referring to any other of the countless errors of omission and commission which exist, this one is alone sufficient to vindicate your Excellency's memorialists, and it has been received with indignation and alarm, not alone in our own midst, but also in Greymouth and Hokitika, with which places our interests are more or less intimately interwoven.

Your memorialists allude now to recent Provincial *Gazette* notices (April 22nd and 28th, 1872), in reference to certain applications for gold-mining leases in this district.

Your memorialists may premise, what your Excellency doubtless will know, that quartz reefs situate so far from the seaboard must necessarily require a large expenditure before they can be made productive to the country at large. The individual miner, or indeed a company of miners, cannot hope to command sufficient capital to erect the machinery necessary to utilize the reefs already discovered, or those which it is hoped will be developed. Hence they are driven to depend upon the outside capitalist, who naturally looks for some security for his investment by obtaining a greater fixity of tenure than is afforded by miners' rights. For this purpose a large number of applications for leases from time to time have been made. The conditions imposed by the Gold Fields Regulations have been complied with. The proper investigations have been made by the Warden, and in many cases by successive Wardens. The leases have been recommended by those officers. Companies have been formed consequent upon such recommendations, and mining operations proceeded on the faith of them. Interests have changed hands upon the trust, hitherto fulfilled in other places, that the leases would issue. But to the amazement and consternation of the whole community, the Superintendent, arbitrarily, unreasonably, and totally regardless of the obviously ruinous consequences to the district,—has out of twenty applications, curtailed the areas of fifteen leases applied for; and in the cases of eighteen others, in the teeth of the Warden's recommendation, has refused the leases altogether; and this too, after the Superintendent himself had furnished the Warden with certain fixed conditions as to the number of men to be employed, which conditions, although considered extreme ones, were assented to by the applicants upon the hearing of their respective applications before the Warden.

In many of the cases the areas claimed were, and for long periods have been held under miners' rights, and large and expensive preparatory works have been performed and undertaken. The effect of this erratic and unjustifiable action of the Superintendent, if tolerated, would be most illegally to deprive the men of ground they would be entitled to hold under their miners' rights.

Your Excellency will readily conceive how disastrous to the district must be the administration of its affairs in such a manner as this. All certainty—a most essential element in such a district—is utterly destroyed. Confidence in the Government is entirely sapped. The flow of capital, so essentially required, is at once and most effectually stopped. Orders for machinery are countermanded; and men recognize in the present state of things nothing but inevitable stagnation and impending ruin, unless the mal-administration of which they complain is at once and for ever checked.

For all these evils your memorialists see only one remedy, and that is, the separation, at the earliest moment, of the Nelson South-West Gold Fields from the settled districts. Your memorialists are aware that that consummation will require the intervention of the General Assembly. But, in the meantime, relief would be afforded if your Excellency should think fit to exercise the powers conferred upon your Excellency by "The Gold Fields Act, 1866," and at once withdraw all those powers which your Excellency has delegated to the Superintendent of Nelson, and which he and his Executive (the latter altogether *ultra vires*, and with characteristic presumption) have wielded with so little benefit, and so much, and to some extent with such irreparable injury to this important part of the Colony under your Excellency's command.

Your memorialists therefore humbly pray,—

That your Excellency will interpose, and prevent the longer infliction of the wrongs of which they complain:

That your Excellency will be pleased to withdraw from the Superintendent of Nelson those powers which your Excellency has delegated to that official under "The Gold Fields Act, 1866;" your memorialists entertaining every confidence in the sympathy of the General Government, and in its desire and ability to administer our affairs judiciously and satisfactorily until permanent arrangements can be matured:

And that your Excellency would be pleased, at an early date, to cause the Secretary for the Gold Fields, in conjunction with the Warden of the district, to inquire into the premises, and to report thereon, in order that the facts may be verified, and a scheme prepared, having for its effect the early consolidation of the Nelson South-West Gold Fields under such a form of government as will be calculated to secure a careful and efficient administration, and, at the same time, present some guarantee that the interests of the community will be studied and forwarded, and not, as at present, retarded, if not deliberately sacrificed.

And your memorialists will ever pray.

No. 2.

Mr. A. GREENFIELD to Mr. C. E. HAUGHTON.

Sir,—

Superintendent's Office, Nelson, 31st May, 1872.

In compliance with the request made in your telegram of yesterday's date, I have the honor to forward herewith, copies of memorials received by this Government against the granting of gold mining leases in the Inangahua District, and also a copy of the reply given to the memorialists.

I have, &c.,

C. E. Haughton, Esq.,
Under Secretary for Gold Fields.

ALFRED GREENFIELD,
Provincial Secretary.

Enclosure in No. 2.

To OSWALD CURTIS, Esq., Superintendent of the Province of Nelson, and to the Members of the Executive Council,

The Memorial of the undersigned Miners, Merchants, and others, resident in the Inangahua District of the Nelson South-West Gold Field.

SHOWETH,—

That your memorialists are opposed to your Honor's Government favorably entertaining any recommendation for the granting of any and all applications for a lease or leases of any portion of the quartz reefs hitherto discovered in the Inangahua District.

That applications, of which there are three in number, have been made to J. Giles, Esq., Warden of the district, for leases of the foregoing nature, and are to be recommended to your Honor's Government by the Warden.

That such recommendation by the Warden cannot be founded on any just or reasonable basis.

That your memorialists endeavour hereby to expose to your Honor's Government the grounds of their objections to the granting of such leases, and pray that your Honor's Government will consider such objections in their strongest sense.

That the referred to applications embrace a very considerable unworked portion of established and fully-defined lines of quartz reefs.

That on one line of reef, known as Shields' two applications for distinct leases exist, and at both extremities of the ground applied for payable quartz has already been discovered.

That on Kelly's line of reef an application has also been made to the Warden, in the face of the immediately adjoining claim having previously to the date of application discovered payable quartz, and were actually employed in crushing their stone.

That there is no reasonable ground for supposing that the portions of the reefs embraced in these applications would be allowed to remain dormant, as absolute proof is available that the ground applied for would have long ere now been taken up and worked as ordinary claims, but could not on account of the existence of said applications.

That the existence of such leases in this district will be detrimental to the interests of the mining community and of the district generally, inasmuch that, instead of encouraging private enterprise, it yields every inducement to capitalists establishing a monopoly at the cost of the miner of humbler means.

Your memorialists therefore pray that your Honor's Government will, in taking the matter into its earnest consideration, not overlook the fact of the Murray Creek reefs having been discovered, and so far developed, through the individual and unassisted efforts and the indefatigable perseverance of miners themselves; that there is no reason for believing that leaseholders will more materially assist in furthering the full development of the reefs, if it is not actually questionable that they will employ as much even as one-half of the amount of labour requisite, or that otherwise would be employed; as also that the ground applied for has never at any time been worked. And in consideration of the above facts, and of the dissatisfaction which will be otherwise created among the mining community of this portion of the Nelson South-West Gold Fields, your Honor will, with the advice and consent of your Honor's Executive, negative any and all such applications, and countenance only applications for leasing ordinary claims, so as to render the title of legitimate shareholders more valid.

And your memorialists will ever pray, &c., &c.

[Signed by LAWRENCE FORBES and 194 others.]

No. 3.

Mr. C. H. CRAMPTON and Others to the SUPERINTENDENT.

The Memorial of the Undersigned.

SHOWETH,—

That the great influx of the mining population into the Inangahua district since the commencement of the year has resulted in the expression of strong indignation against the manner in which the district has been permitted to be closed up, through the entertaining of applications for leases of so extensive portions of the Inangahua quartz reefs.

That a public meeting was held in Reefton, on Saturday, the 20th January, to consider the necessity of urging upon the Government the imperativeness of immediately cancelling all applications for leases of any portion of the Inangahua quartz reefs.

That the granting of applications for leases of any portion of the Inangahua reefs will be prejudicial to the interests of the mining community generally, inasmuch as it will limit the number of men to be employed to at most one-tenth the number that would otherwise find occupation in the locality.

That your memorialists would wish respectfully to impress upon your Honor the injustice to the mining community generally, by entertaining and granting any application for a mining lease other than on a miner's right.

That your memorialists are of opinion that your Honor, if made fully acquainted with the extent of the monopoly at present existing in the district, will either cancel or suspend all applications of such leases until further inquiry.

Your memorialists therefore pray that your Honor will give the matter earnest consideration, and meet the prayer of the memorial, by immediately cancelling all such applications, or suspending further action until careful inquiry be made.

And your memorialists will ever pray, &c.

[Signed by C. H. CRAMPTON and about 769 others.]

His Honor the Superintendent, Nelson.

No. 4.

The PROVINCIAL SECRETARY to C. H. CRAMPTON.

SIR,—

Superintendent's Office, Nelson, 5th February, 1872.

The Provincial Government having carefully considered the memorial from a large number of miners and others resident at the Inangahua, which you have presented to the Superintendent, praying that no leases of ground for quartz mining may be granted in that district, and the representations which you have made personally in support of its prayer, I have to reply as follows:—

The number of leases for quartz mining hitherto granted at the Inangahua is three only—two of twelve acres each, and one of ten acres—the area being in each case considerably within the limit permitted by law.

These leases were applied for in April, 1871, and were granted on the recommendation of the Warden. The usual public notice was given in each case, and the time (twenty-one days) prescribed by law for objections was allowed by the Warden. Two months' notice of the intention of the Superintendent to grant the leases was also subsequently given in the *Provincial Gazette* and the local newspapers, in accordance with the regulations.

The ground comprised in two of them was already held by the applicants as claims under their miners' rights, and the third consisted of ground which had been previously taken up and abandoned.

Although the Government is informed that many further applications have been made, none have as yet been forwarded to the Superintendent, owing to the time necessary for inquiry by the Warden, and for the hearing of objections, and to delay in the execution of the surveys.

Each application which may be supported by the recommendation of the Warden will be considered upon its own merits, and the representations of the memorialists shall receive the most careful attention.

But the Provincial Government cannot undertake to advise the Superintendent to refuse all applications for leases made in conformity with law, and supported, as some of them may probably be, by the recommendation of the Warden, until at least the grounds on which that recommendation is made are known and considered. They believe that the public interest might in some cases be materially sacrificed by such indiscriminate refusal, and that the effective development of resources of immense value to the Colony would not unfrequently be indefinitely delayed by the refusal to grant the extended area and the better established tenure provided by the leasing clause of the Gold Fields Act.

The very large capital not unfrequently required for the successful prosecution of quartz mining would, in the opinion of the Government, not otherwise be forthcoming for undertakings which are frequently of an extremely speculative character; and it would be easy to adduce many notable instances, both in this Colony and elsewhere, in support of this opinion.

The Provincial Executive will, however, generally advise the refusal of leases in cases in which the ground can, according to the best information they can obtain, be effectively worked by individual miners taking up ordinary claims, and they will give every facility and encouragement to persons combining for the purpose of obtaining a lease in exchange for two or more of such claims.

In any lease which may otherwise be granted, care will be taken that the area is not greater than appears to be necessary for the effective working of the ground, and also, as a general, although, especially as applicable to abandoned ground, not invariable rule, that the number of men to be employed upon the ground leased shall approach the number who could hold the same ground as ordinary claims.

The Government will also do all in its power to prevent evasion of the law by applications for more than one lease being put in, whether directly or indirectly, by the same person or persons, except in cases where they can satisfactorily prove that they are acting in the capacity of agents only.

Every precaution will moreover be taken to prevent any portion of more than one reef being included in the ground granted under any lease, upon which point the Warden will be requested to make full inquiry.

The Government will direct their early attention to the best means of securing, firstly, that such conditions shall be included in any lease which may be granted as will insure the early and effective working of the ground; and, secondly, that such conditions are duly complied with by the lessees.

They will also use their best endeavours to shorten the time which now elapses between the date of application for a lease and the granting or refusal of such application by the Superintendent, during which interval the applicant cannot be called upon to work the ground, as he has no title and may never have one, and the ground is consequently locked up.

The time required by law for lodging and hearing objections in every case, cannot of course be interfered with; and in case of a successful application, the required notice of the intention of the Superintendent to grant a lease must be given and expire before a lease can be issued, and its conditions enforced.

But in other respects and more especially as regards the surveys, the Government trust, now that they have stationed a Warden on the spot, to be able to make arrangements by which applications may be disposed of in comparatively a short time.

The Government is also inclined to think that the publication of this statement of their views and intentions will lead to the withdrawal of a large proportion of the applications now pending, and to a great diminution in the number of such applications for the future.

In arriving at the conclusion that it would not be consistent with their duty to refuse, without consideration or exception, all applications for leases of land for quartz mining at the Inangahua, the Provincial Government have been guided by what they believe will best serve the interests of the community as a whole, to whom the property they have to administer belongs, and also by what they are convinced are the true interests of the miners and others who have signed the memorial, and who form so considerable and so influential a portion of that community.

I have, &c.,

ALFRED GREENFIELD,
Provincial Secretary.

Mr. C. H. Crampton, Nelson Hotel.

No. 5.

The Hon. W. GISBORNE to His Honor O. CURTIS.

SIR,—

Colonial Secretary's Office, Wellington, 13th June, 1872.

I have the honor to transmit herewith the accompanying copy of a memorial from 950 inhabitants of the Inangahua district, relative to the administration of certain gold fields in the Province of Nelson, for such remarks thereon as your Honor may desire to make.

I have, &c.,

His Honor the Superintendent, Nelson.

W. GISBORNE.

No. 6.

His Honor O. CURTIS to the Hon. W. GISBORNE.

SIR,—

Superintendent's Office, Nelson, 26th June, 1872.

I have the honor to acknowledge the receipt of your letter of the 13th instant, covering copy of a petition to His Excellency the Governor, signed by 950 persons, describing themselves as inhabitants of the Inangahua District, praying that the powers under the Gold Fields Act delegated by His Excellency to myself, as Superintendent of the Province, may be withdrawn, and that the Under Secretary for Public Works on Gold Fields and the Warden of the Inangahua District should be instructed to inquire into the allegations contained in the petition, with a view to the preparation of a scheme for the establishment of the Nelson South-West Gold Fields under a new form of government.

In accordance with your suggestion, I proceed to make a few remarks upon the statements contained in the petition, but propose, on the present occasion, to confine myself chiefly to the question of administration by the Provincial Government under the delegated powers, leaving the question of the action of the Provincial Council and the Executive Government, in the management and application of Provincial revenues, for future consideration, if the Colonial Government should think it desirable to enter upon the subject.

I will, however, observe that the considerable population, estimated by the petitioners, probably with sufficient correctness, at 3,000 persons, now assembled in the Inangahua Valley, have, for the most part, collected there within the last nine months; and in reference to the statement of the petitioners that the Provincial Government has been "drawing monthly an almost incredibly large revenue from the miners," it is sufficient to state that the total revenue the Provincial Government has derived from that district, from all sources, during the twelve months ending 31st of March last (the petition having been drawn up in April), did not exceed £3,600; and that, so far from the Provincial revenue from the South-West Gold Fields having increased in consequence of the discovery of the Inangahua reefs, it has, on the contrary, diminished during the past year from that very cause, by the withdrawal of a large number of miners from claims already in profitable operation.

The action of the General Assembly, during the last Session, in devoting a sum of £24,000 to expenditure upon roads within these gold fields, and of the Colonial Government in deciding, in accordance with my recommendation, to expend £16,000 of that amount (and subsequently the remaining £8,000) for the benefit of the Inangahua District, made it imperative, in justice to other districts of the gold fields contributing much more largely to the revenue, that some portion at least of the remaining funds available for public works should be allotted to them.

The petition, however, has its origin in, and is in reality grounded upon, the action taken by the Provincial Government in refusing some of the applications for leases for portions of the lately discovered reefs, and in other cases reducing the area applied for.

In reply to the allegations of the petitioners, I have the honor to state that previously to the applications coming before the Provincial Executive, I received two petitions from miners and others resident in the Inangahua District, protesting against any leases whatever being granted. The petitions were signed by 964 persons, a somewhat larger number than those who have signed the petition now under consideration.

In reply to these first-named petitions, the Provincial Executive declined, for the reasons stated in a letter addressed to the petitioners by the Provincial Secretary, to comply with their request, but at the same time laid down at length the conditions and restrictions under which alone leases would be granted.

Copies of the petitions and of the reply of the Provincial Government were forwarded a short time since, at his own request, to the Under Secretary for Public Works on Gold Fields, and I presume it is therefore unnecessary that I should now forward them.

The purport of that letter has since been adhered to as strictly as possible in dealing with all applications for leases for quartz mining in the Inangahua District.

No lease has been refused except on the recommendation of the Warden, or in cases where no work had been done and the application was obviously of a merely speculative character, or in cases of repeated applications for several leases of large blocks of land by the same persons; and in all cases of reduction of the area applied for, the number of the applicants, the amount of work done, and the genuineness of the application or otherwise, have been carefully taken into consideration and proportionate areas granted.

In the cases of the prospectors or discoverers of the reefs, large areas have in all instances been conceded; in several cases by special grants, under the 12th section of "The Gold Fields Act, 1866," in excess of the extreme area which can by law be granted on lease, namely, sixteen and a half acres, or forty men's ground, under the regulations for ordinary claims.

To the general language and character of the statements contained in this memorial I do not think it necessary to advert; but the following paragraph contains explicit statements, which, if left uncontradicted, might be calculated to do mischief:—

"In many of the cases, the areas claimed were, and for long periods have been, held under miners'

rights, and large and expensive preparatory works have been performed and undertaken. The effect of this erratic and unjustifiable action of the Superintendent, if tolerated, would be most illegally to deprive the men of ground they would be entitled to hold under miners' rights."

In every case of application for a lease of ground held under miners' rights a larger area of ground than that so held has been granted; and even were it not so, I am not aware that the rights of miners so previously holding the ground could in any degree be prejudiced by the refusal to grant a lease over the same land. The remainder of the paragraph I have quoted is equally without foundation.

I have only further to say that the object of the Provincial Government has been to arrest the improper and mischievous locking-up of block after block of the reefs in the hands of mere speculators, in a manner equally unjust and injurious to the *bonâ fide* capitalist and the miner, and calculated most seriously to damage the character and retard the progress of the district.

In support of the policy which the Provincial Government has pursued in this matter, and of the views I have expressed in this letter, I ask your attention to the following extract from the official report upon the Auckland Gold Fields for the year 1870-71, furnished by order of the House of Representatives, and printed in the Appendix to the Journals, 1871, Vol. II., G. 31.

* * * * *
 "The cause of the depression thus briefly referred to is not far to seek. It is to be found in the wholesale taking up of supposed auriferous country in the hope of selling it for large sums of money, and the formation of companies based on value utterly fallacious, the country being entirely unproved, or rather unprospected."
 * * * * *

The same Report (Table H) shows that the average area of the mining leases in operation upon the Thames Gold Fields on 30th June, 1871, was slightly under five acres, while the average areas of the mining leases and special claims granted by the Provincial Government in the Inangahua District, to which the petition refers, exceeds eight acres.

Should the Colonial Government wish for any further information respecting the allegations contained in the petition, I shall be most happy to furnish it.

The Hon. W. Gisborne, Wellington.

I have, &c.,
 OSWALD CURTIS,
 Superintendent.

No. 7.

MR. G. S. COOPER to MR. W. PITT.

SIR,—

Colonial Secretary's Office, Wellington, 7th August, 1872.

I am directed by Mr. Gisborne to acknowledge the receipt of your letter of the 25th May last, enclosing a petition to His Excellency the Governor from certain of the inhabitants at Reefton as to the administration of South-West Gold Fields in the Nelson Province; and, in reply, to state that the papers on the subject shall be laid before the House of Representatives, and referred to the Gold Fields Committee.

I am to inform you that the general question of the Government of the South-West Nelson and Westland Gold Fields is about to be brought under the consideration of the General Assembly.

I have, &c.,
 G. S. COOPER,
 Under Secretary.

Wm. Pitt, Esq., Reefton, Nelson.
