

steadily at work, under very judicious management. Their manager, Mr. McGlashan, reports that the construction of their head- and tail-races commenced about last November. These works are of considerable magnitude, and comprise, in the tail-race, a solid rock-cutting of about 279 feet; average depth 32 feet, with a base of about 2 feet 6 inches. The head-race consists of an open race through rough bush country, about three miles long, with about fifteen chains of fluming, and several dams, to intersect small streams. It is expected that the necessary work will be completed about the end of April. About 700 feet of 7-inch iron piping will be used where practicable, in place of canvas or rubber hose. The manager hopes to bring ten heads of water to bear on the ground to be sluiced. Good gold has been found on Arthur's Terrace, the site of this company's claim, and they hold a lease of 10 acres of ground. It is true that this terrace, like almost all other alluvial ground, has been found patchy, but with good management they may fairly look forward to their venture proving a success. Should the result of their labours prove satisfactory, I have no doubt that other undertakings of the same nature will be at once started. Messrs. Trent, Diamante, and Co. have undertaken a rather heavy piece of work in the bed of the Wakamarina. They have taken up a claim known as the Hit or Miss Claim. They propose to divert the river from its present course into a flume they have built on the bank of the stream, discharging the water into its usual bed, below their claim. They imagine that, with the aid of a powerful endless pump, they will be able to keep the portion of the river-bed, from which the natural stream has been diverted, dry enough to enable them thoroughly to test the ground. I think there is very little doubt that there are large deposits of gold in the river-bed; but I am afraid the appliances of this company are scarcely sufficient to enable them to carry out their proposal. I believe they have not "bottomed" yet, and should we have rainy weather, they would be driven out of their claim. If they meet with success, it will be well deserved. Some of the miners working in pairs, on ordinary claims, are doing well—to use their own description, "making tucker." I find this description embraces very wide limits.

I think there is good hope of a better report of this district next year.

*Wairau Valley Mining District.*—There has been very little progress in this district during the past year. The number of miners at work has decreased. This, I consider, is owing to the scarcity of water in summer time, and the attractions of the more profitable work of shearing on neighbouring runs. Miners are scattered about in the different gullies and valleys, from Ward's Pass to Lambert's Gully; I can only mention the principal workings. When I visited this gold field a short time ago, the principal attraction appeared to be Birch Hill Gully. I found about eighteen miners at work in this valley and the adjoining blind gullies; some heavy work had been done, and a very good water-race cut. Miners were at work in the creek and on the hill sides. I was informed that good payable gold had been found in some of the claims. I only found one party who would acknowledge that they were doing more than "making tucker." The same report will apply to Tipperary Gully, where I found about fourteen men at work. At Arm Chair Creek, where very good gold has been found, I noticed a considerable reduction in the number of miners. This, I think, is in a great measure owing to want of water and the temporary demand for labour on the runs. Miners were out prospecting several other valleys and gullies in this district. Good gold has been found in Bartlett's Valley and Onamalutu, on freehold land. A small rush has taken place lately to Lambert's Valley, where good gold has been found. The two quartz claims in Bartlett's Valley have been abandoned. I believe good payable gold will be found in the country extending from Birch Hill Creek down the north bank of the Wairau through the Kaituna to Havelock. I believe that good payable quartz reefs are to be found in the dividing ranges between the Wakamarina and Wairau Valley. It is simply a work of time—a problem for the future.

It is not a healthy state of matters when we have to describe a gold field as a "convenience"; and summing up the Wairau Valley field as a whole, it may almost be looked at in this light. I have frequently heard it stated that when miners are tired of digging they go shearing, and when nothing better turns up they come back digging. In this way an increase may be expected in the population of these gold fields during the coming winter. The ground is very patchy, but the gold is there. It requires better appliances, such as sluicing, to make this gold field pay.

The miners in this district are at present working under great disadvantages. The greater part of the Wairau Gold Field is bounded along the bank of the river with freehold sections, and isolated freehold sections are to be found up the different gullies. It is clearly impossible for miners to know if they are trespassing on freehold property or not, as these sections, with few exceptions, are not marked out on the ground. With two exceptions, the holders of runs under lease on this gold field appear to desire to act liberally towards miners, and not to offer vexatious obstructions to their working on leasehold land. I know of only one leaseholder who appears to take active measures to obstruct miners in their work. I think this should be prevented for the future. The question of renewal of these leases will probably arise next year, and the power of obstruction should be removed.

#### QUEEN CHARLOTTE SOUND MINING DISTRICT.

The whole of the claims in this district are quartz claims held under lease. We have no alluvial diggings in this district.

*Golden Eagle Claim.*—The original Golden Point and Kaipapa leases have now become the property of a new company styled the Golden Eagle Company. The work of this claim appears lately to have been more systematically and steadily carried on, and, I think, under very good management. Exciting specimens are not as plentiful as in olden times, and the work of depositing expensive machinery on the ground has not been continued by the present company. The mine manager (Mr. Heiden) states that the full complement of men have been employed during the past year in continuing the work of sinking the main shaft. They are now down 220 feet below the surface of the ground. In his meagre, but trustworthy, report to me, although he appears carefully to abstain from introducing the word "reef" in any way, yet he speaks hopefully of the prospects of the company. Very good stone has been taken from this claim, and the leaders or reefs are to be found. I believe in the *bona fides* of this company as at present managed, and if they succeed in finding a good reef their success will be well merited.