H.—5.

Nelson Creek.—No new discoveries have been made in this district during the past twelve months. The auriferous deposits at Try-again Terrace are gradually being worked out, and it seems probable that ere long the demand for water from the Government race will decrease. The Nelson Creek Prospecting Association has ceased practical operations for some time. No beneficial result has accrued from the Association's expenditure, although they did all that could be expected of them in managing the business intrusted to them.

Granville, Duffer's, Noble's, and Halfounce.—There is nothing new to report with regard to these places, which are all close to each other. They only support but a small population. The miners as a rule are doing very well, and many of them have steady remunerative work before them for years. Most of them have comfortable cottages, surrounded by productive gardens, and

seem satisfied with their condition and earnings.

Greenstone.—The population has somewhat decreased since the date of my last report. No new ground has been discovered. There are now about one hundred Europeans and sixty Chinese miners steadily employed. Most of the Chinese are working in creek beds. The miners generally appear to be satisfied with their earnings. The district will, I think, maintain its present population for some considerable time. On the 1st November last I gave up charge of the Kumara District to Warden Giles. Since that date I have been obliged to hold monthly sittings of the Resident Magistrate's and Warden's Courts at Greenstone, to save miners and others the trouble and expense of travelling to Greymouth. There is a large number of Chinese in this district, and the want of a trustworthy interpreter is much felt. The administration of justice is very unsatisfactory without the assistance of a competent person.

ROADS, ETC.

There is no doubt that the great want of the district is roads or tracks, the absence of which has retarded the progress of the district very materially. The partly-constructed tracks between Bell Hill, No Town, Hatter's Terrace, and Kopara ought to be finished without delay, as they will open up a tract of country of which very little is yet known. As gold has been found all round this part of the country, it is but reasonable to suppose it is itself gold-bearing. A road along the terraces on the north side of the River Grey is also a great desideratum, and would assist materially in developing the mineral resources lying buried in the Paparoa Mountains and the many inaccessible valleys which intersect them. A track from Ahaura to River View, along the left bank of the River Ahaura, is also badly wanted. All traffic to River View has to cross the River Ahaura by canoe, which is highly inconvenient at all times, and quite impossible when the river is in flood. As the distance is under two miles, and the country to be traversed not very rough, only a small outlay of money would be required to supply the much-required means of communication.

The statistical returns herewith will supply the usual information on the general state of the district.

I have, &c.,

H. A. STRATFORD,

The Under-Secretary for Gold Fields, Wellington.

No. 11.

Mr. Warder Giles to the Under-Secretary for Gold Fields.

Sir,—

I have to report considerable progress in mining matters in the district under my charge, as will be seen in the following remarks upon the different subdivisions of the district with which I have to do.

Kumara.—This district has been assigned to me since my last report. The principal feature in the mining of this locality is the opening of the Government sludge-channel, and the extensive works which have been carried out in the adjacent mining claims to enable them to make use of it. These consist of deep tunnel tail-races opening into the sludge-channel, and of deep sinking in the claims connected with them. All this, with the requisite machinery and waterraces, must have been very costly; but there is reason to think, from such washings as have taken place, that the outlay will be reimbursed whenever a steady water supply can be It is unfortunate that the postponement of remunerative operations rendered necessary by the magnitude of the preliminary works should be extended by the unprecedentedly dry weather which has prevailed during the whole summer; but the want of water has prevented much work that would otherwise have been possible, and it is much to be hoped that this state of things will soon be remedied by rain, and by the speedy completion of the second Kapitea dam, a work which is looked forward to with much interest in the district. Some difficulties of a practical nature have occurred between the manager of the sludge-channel and the claimholders who "sluice" into it, and Mr. Gow has no doubt had many difficulties to contend with in the attempt to make things work well. But it may be hoped that his practical knowledge of his business, and his evident desire to do what is best for all parties, aided by the good sense of the miners, who are quite capable of appreciating such qualities, will enable all concerned to find a modus operandi et vivendi. The population of Kumara and the adjacent diggings has been somewhat reduced by the attractions of the Rimu "rush"; but there is reason to believe that the new workings will fully compensate for this whenever sufficient water is available.