

By referring to former reports it will be noted that the number of working-dredges is gradually declining every year, and it is very probable that the decline will continue until we have none but the actual dividend-paying dredges at work in this district. Amongst the number of dredges mentioned in Table A there are several which are barely earning working-expenses, and I expect that in next year's report they will be mentioned as having closed down during the year.

THE TIMBER INDUSTRY.

The exports of timber and railway-sleepers for the year from the Port of Greymouth was as follows : Timber, 21,218,043 ft., valued at £74,263 ; sleepers, 2,081,006 ft., valued at £14,492 : total, 23,299,049 ft. valued at £88,755.

COAL.

The output of coal from the different mines during the year was as follows : Blackball Mine, 85,528 tons ; Brunner Mine, 54,939 tons ; Tyneside Mine, 38,406 tons ; State Mine, 60,255 tons : total, 239,128 tons. This is a considerable increase on last year's output, owing to the opening-up of the State collieries during the year.

GENERAL.

The number of suits disposed of in the Warden's Court during the year ending the 31st December, 1904, was fifteen.

The revenue for the year amounted to £3,613 16s. 4d, the particulars of which are as follows : Miners' rights, £106 5s. ; copies of Mining Act, 15s. ; water-races, £2 ; rents, £1,158 19s. 1d. ; fees and fines, £64 5s. 6d. ; miscellaneous, £2,281 11s. 9d. : total, £3,613 16s. 4d.

I have &c.,

The Under-Secretary, Mines Department, Wellington.

W. G. R. KENRICK, Warden.

Mr. Warden DAY, Hokitika, to the UNDER-SECRETARY FOR MINES, Wellington.

SIR,—

Warden's Office, Hokitika, 28th February, 1905.

In pursuance of the request contained in your circular I have the honour to report with respect to the Hokitika division of the Westland Mining District that was under my charge during the year 1904.

ALLUVIAL MINING.

Through the action of creditors, the Wheel of Fortune Company was forced into liquidation, and the mortgagees sold the whole of the mining rights owned by the company to a local syndicate. The syndicate commenced work, and I am informed the returns up to the end of the year were satisfactory. It would appear that under the company (which was owned and controlled in England) the expenses of management were out of all proportion to the returns which were likely to be obtained from the property. It is this excessive and extravagant cost of management of foreign-owned companies which kills the ventures owned by them.

The Humphrey's Gully claims were worked on tribute during the year, with results satisfactory to the tributers. The tribute expired at the end of last December, and tenders were again called for by the company, with the result that the same party again obtained the tribute, the company receiving a larger percentage than that paid during the previous period.

The Mont d'Or claim, at Ross, was worked throughout the year and paid its usual dividends. The company sustained a great loss by the death of Mr. Charles Davey, who had successfully managed and worked the claim for a number of years.

The Ross United and Mont d'Or properties are still under offer to a London syndicate, but for some reason nothing much has been done, although the local company some time since provided the amount asked for to pay the expenses of an expert to be sent out from London to report upon the properties.

The Westland Hydraulic and Sluicing Claims at the Waiho were worked for a great part of the year, but the results were not made public. Work was stopped, and six months' protection obtained, owing to the working capital being exhausted. I believe, however, that fresh capital is forthcoming, and that the claims will shortly be worked again. The manager informed me that when work ceased the prospects were encouraging.

The claim held by the McLeod's Terrace Sluicing Company to the south of the Mikonui River, should be working in a month or two, as the head race is approaching completion. The result of working this claim is looked forward to with a great deal of interest, as a number of old and experienced miners are doubtful of its being successful.

Back Creek and Seddon's Terrace : During the year it was reported that a new lead had been discovered at Back Creek, underlying the old Brighton bottom. A fair number of claims were applied for. I visited the field with the Assistant Inspector of Mines, Mr. A. H. Richards, to, if possible, satisfy myself as to the value of the lead before granting any licenses for claims. As at the time of our visit sufficient work had not been done to prove its value I refused to grant any claims, and the various applicants took prospecting licenses instead. This discovery (if satisfactory) will probably extend indefinitely the life of the field. So far I have not heard the result of any prospecting.

Great disappointment has been felt throughout the district because nothing definite has yet been done towards bringing water on to this field. The trial surveys for the race have been finished for some time, and there the matter seems to rest. The Consolidated Goldfields of New Zealand has, however, obtained permission to prospect the reserve of 100 acres at Seddon's Terrace, and I understand that upon the results of the prospecting partly depends the decision as to whether the company will construct the race or not.