A new discovery of importance, or the satisfactory demonstration that large bodies of payable ore exist in the deeper levels of the Waihi mines, or in any of the claims benefited by the low-level crosscut at the Thames, would, I am sure, revive interest in the district, and lead to further investment of much needed capital in our mines. Notwithstanding the dullness of mining enterprise to which I have alluded, some prospecting of new ground is being carried on in the Thames and Coromandel districts, but no discovery of any importance has been reported. Several parties have been persistently prospecting in the vicinity of the Mahakirau Creek, between Coromandel and Mercury Bay. Loose specimens of auriferous quartz—some of them very rich—have for years been found in the beds of the creeks and small streams, but no reef or lode from which this quartz might have come has been found, although most anxiously sought for. It is the general impression that some day some fortunate prospector will discover to his great advantage the original source of these auriferous stones.

On the whole, the little prospecting that has been done throughout the goldfield is of a desultory

and unsystematic kind.

In my opinion, the employment of a casual man or two for this work will not lead to any beneficial discovery; if it does it will be the merest chance. Prospecting to have any hope of success must be undertaken in an organized and systematic manner by men having a natural inclination for the work, and prepared to act under the control and direction of an experienced man of knowledge and intelligence, who would see that the efforts of the paid men are not frittered away in useless and haphazard work, as has been too often the case in the past. Work of this kind prosecuted under the immediate control of local bodies or the General Government is more likely to prove successful than the fitful and often badly directed efforts of private persons, who most frequently find that they have been paying wages for nothing more than a very small amount of useless work. During the last year or two considerable areas on the goldfield have been taken up for grazing purposes under the Hauraki Pastora Lease Regulations, and in one respect this may prove an assistance to the prospector, for these areas still remain open and accessible to the miner. The clearing of the dense forest which yet clothes much of the mountain-ranges will facilitate the work of exploration and prospecting, and it is to be hoped that advantage will be taken of the opportunity offered.

advantage will be taken of the opportunity offered.

The somewhat critical period through which the Hauraki Goldfield is passing makes the administration of the Mining Act more than usually difficult, for if a strict compliance with the labour conditions is insisted on, and further protection refused to companies who find themselves in straitened circumstances owing to their inability to collect calls, although nominally possessed of capital, there is no doubt that claims held by them must be abandoned, and their shareholders would permanently withdraw from all connections with the goldfields. On the other hand, some restriction must necessarily be placed on the extent to which owners of mining claims are permitted to retain property indefinitely, without expending on them the labour required by the terms under which they hold their titles while they are waiting to benefit by the enterprise and industry of those who

have courage to continue.

The various applications for mining privileges ordinarily coming before the Warden's Court have materially decreased during the last twelve months, but owing to the causes mentioned more than the usual number of applications for protection of claims and other mining privileges have been dealt with; and because it has not been deemed politic to too strictly enforce the labour conditions of their holdings, most of the applications have been granted, and as a consequence more than the usual number of claims have suspended operations. I trust, however, that at the end of the present year I shall be able to report that only a few of our mines are not carrying on successful operations.

I have, '&c.,

FRED. J. BURGESS, Warden.

Mr. Warden Wilson, Westport, to the Under-Secretary of Mines, Wellington.

Sir.—

I have the honour to report upon those portions of the Westland and Karamea Mining Districts within my district for the year ended 31st December, 1912.

WESTPORT.

There has been a considerable increase in the number of prospecting licenses granted in Westport during the past year as compared with the number taken out in 1911, but there has been a noticeable falling-off in the number of claims (special, extended, and ordinary) taken up during the same period. This is indicative of the state of the industry here. The bona fide mining is very quiet, but a fair amount of prospecting is in progress.

The Carthage Company has reported some very payable returns from the working of its property at Fairdown by hydraulic sluicing and with a suction elevator. Great difficulty has, however, been experienced owing to the very heavy buried timber encountered, and the cost of the work has been

somewhat increased in consequence.

At Addison's good wages have been earned by one or two parties, and the working of claims held by Roberts and Lee is considered to be full of promise. Carmody and party and Millikin's party

continue to get payable returns.

On the North Beach the beachcombers have been fairly active. The land is eroding very rapidly by the action of the sea, and it is anticipated that several payable leads are likely to be exposed. There has been an increase in the number of extended beach claims granted during the past year.