

SILVER.

The silver hitherto exported is that obtained in the process of refining the gold. No metallurgical works have as yet been erected to treat silver ores, but a company proposed to erect works either at Karangahake or near Te Aroha. Over a hundred tons of ore, containing gold and silver, were shipped during last year to Europe for treatment, and the returns received are reported as very satisfactory.

ANTIMONY.

The principal-antimony workings in the colony at the present time are at Endeavour Inlet, Queen Charlotte Sound. A company has been working here for the last three or four years, and has lately, after erecting smelting-works and spending about £25,000, been re-formed in London with a larger capital, in order to carry on the workings on a more extensive scale. During last year 134 tons of ore and refined antimony were forwarded to London, valued at £3,989.

At Waipori, in Otago, the antimony-mine which was opened out in former years is again taken up, and 10 tons of ore have lately been broken out for the purpose of forwarding to England for treatment, with the view of inducing a company with sufficient capital to work the mine.

MANGANESE.

At the Bay of Islands and other places in the Auckland Provincial District manganese is found. During last year 305 tons have been shipped to England, valued at £895.

MIXED MINERALS.

The principal ores coming under this head are those containing gold and silver, associated with other metallic substances, of which 144 tons forwarded to Europe for treatment were valued at £4,142.

COPPER.

Copper is found in many parts of the colony. It was worked on the Island of Kawau by the Aberdeen Company more than forty years ago, and subsequently at the Dun Mountain, Nelson. The latest copper-workings were in this locality, at the Champion Mine, where before the mine was properly opened out operations had to be suspended for want of capital. The workings have been at a standstill for over a year; but efforts are now being made to resuscitate the enterprise by floating a company with a larger capital. Recently indications of copper have been discovered in the Ruahine Range, near Maharahara, Hawke's Bay. Several applications for prospecting licenses have been granted.

COAL.

This industry is steadily progressing. In 1878 the output from the mines was only 162,218 tons, and last year it amounted to 558,620 tons, being about three and a half times as great as it was ten years ago. In 1886 the output was 534,353 tons, thus showing an increase over last year of 24,267 tons. The quantity of coal imported last year was 107,230 tons, being a decrease from the previous year's import of 12,643 tons, thus showing—as every previous year has done—that New Zealand coal is steadily gaining on the imported article. Taking the output of the mines in the colony and the quantity imported, they amount to 665,850 tons, as against 654,226 tons for the year 1886.

The quantity of coal exported last year, according to the Customs returns, was 44,129 tons, but, of this, 31,178 tons was used for coaling direct mail-steamers, thus leaving the net actual exports to other countries at 12,951 tons. The actual exports for 1886 were 2,862 tons, showing an increase in exports of 10,089 tons. Although the 31,178 tons referred to as being used for coaling direct mail-steamers are included in the table of exports, they may be justly included in the consumption of the colony, as in last year's report. Upon this basis the quantity of coal consumed within the colony last year was 652,899 tons, as against 651,364 tons in 1886, or the slight increase of 1,535 tons.

Referring to Table No. 7, it is satisfactory to observe that the increased output consists principally of 31,916 tons of bituminous coal, while there has been a small decrease of 7,649 tons in the inferior classes of coal.

NUMBER OF COAL-MINES AND MEN EMPLOYED.

The number of mines standing on the list last year was 126, as against 110 for the year previous, but this increase has been more in the number of lignite-quarries, which can hardly be termed mines. The only real increase in the number may be set down as four, three of which employ from five to ten men each, and one over twenty-one men.

The total number of men employed in coal-mining was 1,499, as against 1,605 for the previous year, or a decrease in the number of employed of 106, while the increased output from the mines amounts to 24,276 tons. The explanation of this is that a great amount of dead work was done in the previous year. For instance, the Wallsend Mine at Greymouth had 136 men during 1886, engaged mostly in preliminary work, the actual output being only 1,506 tons.

The average output per man last year was 372 tons, as against 333 tons for the previous year. By referring to Table No. 9, attached, it will be seen that the largest output was in mines where twenty-one men and upwards were employed. The average in the larger workings was 406 tons per man, while in lignite-workings it was only 223 tons. The difference is easily accounted for, as lignite is only worked to supply local requirements.

FUTURE PROSPECTS OF THE COAL-MINES.

With regard to the future prospects of the coal-mining industry, it has now arrived at that stage where any great increase in the output will depend on an export trade, which cannot have any