27 C.—3.

Stillwater on the south and Blackball on the north of the Grey River, with a regular easterly dip.

144. Only two mines have been opened on the Westland Coal Reserve,

situated on the south side of the Grey River.

145. The Tyneside Mine is opposite the Brunner Mine, and in it the coal was at first worked level-free, and then by a shaft; but this part of the field is much disturbed by parallel faultings, that cross the strike of the coal obliquely, and cut it up into long, narrow areas, so that extensive bords cannot be set off, and the system of working became expensive and too limited to be remunerative.

- 146. The Wallsend Mine, situated further down the river from the Tyneside, is the most important and costly mining adventure in the district. Two shafts have been sunk to a depth of 650ft., and were furnished with most costly appli-The seam of coal in this part of the field was 16ft. thick. The workings were eastward to the rise until a north-and-south fault was met with, which is supposed to be the same which cuts off the Coal-pit Heath Mine to the dip. extension of the levels to the south was also stopped by broken and faulty ground, which was not explored, as the coal became of inferior quality in that The level workings to the north were extended right under and across the river. In these level workings several cross-faults were passed through without difficulty. An incline working was also carried to the dip, also passing under the river and for some distance under Taylorville on the opposite side, until an east-and-west fault was met with. This is known as the Taylorville fault, and is parallel with but considerably to the south of the line of the Brunner fault. It is estimated to cause a downthrow of the coal of 250ft. on the west side. working levels were opened from this dip exploration, so that the coal—which is described as being of good quality in this part of the field, which has an extent of 54 acres—is still untouched.
- 147. The mining in the Wallsend Mine, which, as already pointed out in a previous section of this report, has never been extended into the leasehold, has an extent of 13 acres within the 150 acres freehold, upon which also the shafts and mining-plant are situated. The mine, therefore, excepting the portion under the railway reserve and under the river, is entirely a private property. On the 26th July last it was closed, apparently against the advice of experts; and this very expensive mine, which is stated to have cost altogether £120,000, is at present a dead loss.
- 148. These are all the mines which up to the present time or until recently have been supplying coal, and from the foregoing account of their present condition it is evident that their future prospects are not very bright unless more activity is shown in exploring faults and boring in other parts of the holdings, so that an extension of mining operations may be provided for as soon as the present limited workings are exhausted. From the evidence it would appear that the expenditure of at least £10,000 will be required to effect this, and if it is not commenced promptly there is a probability that the pillar-coal, on which the mines at present depend, will be exhausted before fresh areas of solid coal are opened out.
- 149. The remainder of the Nelson Coal Reserve, north of the Brunner and Coal-pit Heath leaseholds, has been leased by companies who are taking measures to open mines, but no work has been done beyond exploring outcrops. As bearing on the prospects of these prospective mines, the Commissioners beg to refer to the evidence of Messrs. Smith, Taylor, and Lindop. With reference to the latter gentleman, the statements he made as to the extent and favourable mode of occurrence of the coal in the Blackball lease have received confirmation since his evidence was taken, the coal having been cut in the exploring tunnel very close to where he anticipated that it would be found, thus making it certain that a very large area of valuable and easily-worked coal will soon be available.

Cost of Railway and Harbour-works.

150. The Commissioners made inquiry as to the expenditure which has taken place on the Brunner-Mawheranui Railway, connecting the Grey Valley mines with the port, and on the harbour-works, reclamations, and bridges over the river, and have the honour to report on this subject as follows:—