At Ngunguru there is a small area containing very fair coal. It may be termed the best class of coal in the North Island. A private company has opened a mine there on Native land where there is a considerable thickness of good coal; but the harbour is so shallow that only light-draught vessels can come in. Therefore, the supply from this field will always be limited to the quantity that can be taken away. The great outcry of mine-proprietors in the North Island, who are depending on Auckland as a market where local coal can be used by the consumers, is that large quantities are brought from New South Wales, a great deal of which is taken as back-loading at a reduced rate. It therefore can be sold in the Auckland market at a lower rate than the local coal can be produced. The freight on small cargoes is considerably higher per ton than if it could be carried by vessels of 2,000 or 3,000 tons burden, and this militates against the working of mines where only small vessels can be used to carry the coal to markets.

In the Waikato field there is a considerable area of coal-bearing land, but a great portion of it is covered by immersed swamps, and the coal, although of a great thickness, is of inferior quality to that found at Ngunguru, Hikurangi, and Kawakawa. It is coal similar in quality to that of Shag Point and Kaitangata, and is only fit for consumption in the district in which it is raised, Auckland being the principal market. There are at the present three mines being worked—viz., the Waikato, Taupiri Extended, and the Taupiri Reserve. Formerly, there were two other mines being worked—viz., the Miranda and Ralph's; but the former has been abandoned, and the arrangement was come to with the Taupiri Extended and Taupiri Reserve Companies to lease Ralph's Mine, or at least induce the owner to suspend operations. The total quantity of coal produced from the Waikato mines last year was 57,251 tons.

Coming further south there is a large coal-bearing area extending from Kawhia Harbour across the Mokau River, but the only place where any coal-mining is carried on is at the Mokau River, about twenty miles up from its mouth, and then only a small quantity of coal is being got from one mine on the north side of the river, the output last year being only 781 tons. The coal is of a fair class for household purposes, but it contains a rather large percentage of sulphur. A mine was opened out on the south side of the river by a co-operative company on Mr. Joshua Jones's property, but work here has been suspended for nearly two years. The great difficulty here is getting away the coal to market. Only about from fifty to a hundred tons can be carried by the steamers that are used to take the coal away.

There is no mine yet opened in the North Island that can supply a really first-class coal to ocean-going vessels; neither has any coal been yet found of a first-class character. The demand for local consumption will always regulate the output from the mines, unless the Ngunguru or Hikurangi coal can be taken to where vessels of a large tonnage can come and take it in; and this would only apply to coaling-steamers in the coastal and intercolonial trade if it could be delivered at a port at such a price as to compete successfully with the better class of coal from the west coast of the Middle Island, and from New South Wales. Taking the whole of the output of coal from the North Island last year, it amounted to 92,718 tons, and there were 255 men employed in connection with the mines.

SOUTHERN COALFIELDS.

Westport District.

Westport Coal Company.—This company is a re-formation of the Westport Colliery Company, who had a capital of £100,000 in ten thousand shares of £10 each, but this was insufficient capital to carry on its operations. The present company was formed in September, 1881, with a capital of £400,000 in eighty thousand shares of £5 each. The price paid for the property was £84,000, of which £60,000 was paid by the issue of twenty-four thousand shares with £2 10s. paid up, and £24,000 in cash. The company's land is held under two leases from the Crown for a term of ninety-nine years; these comprise 5,430 acres. One of these leases is at Coalbrookdale, situate between the head of the Wareatea Creek and the Waimangaroa River. This lease contains an area of 2,480 acres. The seam of coal varies from 6ft. to 20ft. in thickness, and lies at an elevation of about 1,800ft. above sea-level.

The coal is brought from the workings to the bins and screens on the top of the hill at Denniston where the hauling machinery is erected. The main hauling-line is two miles through a tunnel from the Denniston side to the Coalbrookdale side of the range. The endless rope system is used for bringing the mine-tubs of coal from the workings to the staiths. At the end of the main hauling-line there are two subsidiary lines which connect the workings with the main line. The Coalbrookdale branch line is about one mile in length. The other branch line crosses the Waimangaroa, and opens up the field to the south-east. On both these branch lines some of the grades are very steep. The worst grade on the main hauling-line is 1 in 10, but on the branch lines the ruling grade on the one crossing the Waimangaroa is 1 in 5, and the Coalbrookdale line is 1 in 14. The main line is worked by a steel-wire rope 3½in. in circumference coiled in four turns round a surging-drum 6ft. 8in. in diameter. The annual output of coal since 1883 has been as follows:—

	Tons.		Tons.
1883	34,997	1890	160,240
1884	74,319	1891	192,604
1885	47,748	1892	198,466
1886	73,923	1893	223,500
1887	115,940		
1888	130,218	Total ...	1,415,879
1889	163,914		

The capital expended on the Coalbrookdale Mine has been about £150,000, and since 1887 the company has paid four dividends—namely, in 1887, a dividend of 2½ per cent. was paid; in 1888, a dividend of 5 per cent.; in 1889, a dividend of 6 per cent.; in 1890, a dividend of 7½ per cent.