

In the Southern Inspection District there are a number of small mines scattered throughout Canterbury, North Otago, Central Otago, and Southland, which are purely of local importance, but supply the general requirements of the various localities. Their production consists of brown coal and lignite, no anhydrous coals of a marketable character being yet discovered with the exception of some anthracite coal in Canterbury, which is too remote from existing railway-lines to become as yet a commercial article. In Central Otago numerous applications for coal licenses or leases have been made. These have all received the careful attention of the department, and it has been found that in many instances these applications have been made for purely speculative purposes, and not with any *bona fide* intention of the applicants actually working the coal themselves. Where it has been satisfactorily shown that additional leases or licenses were actually required, grants have been made, and, speaking generally, the areas now held under license or lease are ample for the requirements of the district for some time to come. The principal collieries north of Dunedin are near Shag Point. The Shag Point Mine has worked for thirty-seven years for a total production of 386,859 tons, the output for last year being 21,209 tons. The Allandale Colliery (adjoining) had an output of 16,595 tons for the year. At the Kaitangata Collieries (which are the principal mines in the South) the output was 112,455 tons for the year, and Nightcaps Colliery (Southland) had an output of 27,840 tons.

Including some mines on private lands, and worked solely for the requirements of the owners, the number of mines worked during the year is 167, giving employment to 2,460 persons.

In consequence of a recommendation from the Goldfields and Mines Committee, a Royal Commission was appointed by His Excellency the Governor to inquire into the various matters connected with the coal-mining industry, and the report of the Commission has already been submitted to Parliament.

ACCIDENTS IN MINES.

The following statement shows the number of fatal accidents which have occurred for the period covered by the reports of the Inspectors of Mines:—

Class of Mining.	Number of Persons employed.	Fatal Accidents.	Rate per 1,000.
Quartz-mines	4,267	4	0.93
Alluvial and hydraulic mines and dredges	9,235	8*	0.86
Coal-mines	2,460	4	1.62
	15,962	16	1.00

* Includes one fatality in connection with dredging.

Investigation of these fatal accidents showed that in one instance, where the Manager was killed along with two of his men, reasonable precautions had not been observed. In the case of the dredge employé who was drowned, it was found that the regulations made for the safety of persons employed had been disregarded. A prosecution for breach of regulations followed, but the charge was dismissed on technical grounds.

The decreased percentage of fatalities in proportion to the number of persons employed, and, especially in relation to dredging, is a very pleasing and satisfactory feature.

SULPHUR.

The output of sulphur exported during 1900 was 1,692 tons, this being an increase of 465 tons as compared with the production of the previous year.

KAURI-GUM.

For the year 1900 the quantity exported was 10,159 tons, valued at £622,293. Although the tonnage was less than that of the previous year by 957 tons, the smaller production represents an increase in value of £14,374. The industry continues to afford employment to a considerable number of Natives and Europeans.