C.—2.

Including the grants made to the School of Mines in connection with the Otago University at Dunedin, expenditure on behalf of schools of mines in the colony during last year was £2,366 9s. 9d.

5

## COAL-MINING.

The output of coal and lignite (including a small quantity of oil shale) during the year ending the 31st December, 1903, was 1,420,229 tons, this being an increase of 55,189 tons as compared with the output for the preceding year. The production of each district and its corresponding increase is shown in the following tabulated statement:—

Northern District West Coast Distr Southern District	ict	 	•••	. 781,032	903. Inc	rease for 1903 over 1902. Tons. 17,750 27,216 10,223
Total		,		. 1,420,229		55,189
The varying clas	ses of co	al, &c.,	produ	ced are as fo	ollows :-	•
Bituminous and s	semi-bitun	ninous coa	.l			Tons. 879,891
Pitch-coal		* * *				21,116
Brown coal						441,814
Lignite						77,372
Oil-shale	•••					36
Total					•••	1,420,229

The gross recorded output of coal, lignite, and oil-shale now exceeds eighteen and a half millions of tons.

Among the collieries of the North Island those of the Taupiri Coal-mines (Limited) are first in point of the tonnage raised, their output for the year being 95,556 tons. This puts this company's mines third in order for the entire colony in the amount produced during last year.

The Hikurangi Coal Company's colliery at Hikurangi produced 39,625 tons, the adjoining colliery belonging to the Northern Collieries Company had an output of 22,382 tons, the Ngunguru Colliery 17,824 tons, and the Panipo Colliery at Kiripaka 12,011 tons. A few other pits had outputs of less than 10,000 tons.

In the Middle Island the West Coast District holds pre-eminence not only in point of quantity but also as regards the quality of the coals produced. During last year the collieries of the Westport Coal Company (Limited) had an output of 565,191 tons, Brunner Colliery 92,280 tons, Blackball Colliery 88,949 tons, and Tyneside Colliery 17,212 tons. A number of small mines in the locality of Reefton supply local requirements. A new colliery has been opened out at Puponga, near Cape Farewell, and this, together with the output expected from the Government Collieries at Seddonville and Point Elizabeth, will tend to augment the production from the West Coast. On the other hand, the output from Brunner Colliery is naturally decreasing, and the exhaustion of the present workings is within measurable distance.

The Southern District (Middle Island) contains extensive deposits of brown coals and lignite, from which local supplies of fuel for domestic and steam purposes are very largely drawn. The collieries at Kaitangata belonging to the New Zealand Coal and Oil Company (Limited) have by far the largest output in the district, and rank second in the colony in point of production for last year, the output having been 122,632 tons. Nightcaps Colliery produced 42,348 tons. Other mines having an output of over 10,000 tons were: Allandale Colliery 20,115 tons, Lovell's Flat Colliery 15,765 tons, Taratu Colliery 15,108 tons, Freeman's Colliery 14,282 tons, Saddle Hill Colliery 14,085 tons, Homebush Colliery 12,150 tons, Alexandra Coal Company's Colliery 11,249 tons, Jubilee Colliery 11,048 tons, and Waimumu Lignite-mine 10,345 tons. A very large number of small pits are worked, with outputs varying from the requirements of a farm up to nearly 10,000 tons per annum.

The total number of mines returned as having been at work during the year is 178, the average number of persons employed being 2,852.