

And as the returns for the five months ended 31st May last show an increase of 2,443 oz., valued at £10,063, as compared with the corresponding period of 1903, it may be reasonably inferred that the total yield for the year 1904 will be greater than that for the previous year, which was the highest for the past thirty-two years.

STATE COAL-MINES.

The development work at the Point Elizabeth Mine, Greymouth, and the Seddonville Mine, Westport, is rapidly approaching completion.

At Point Elizabeth the coal-seams have been tapped by two tunnels of a length of 660 ft. and 759 ft. respectively, and a large amount of plant has been installed.

The railway which has been under construction by the Public Works Department for the conveyance of the coal from the mine to the port at Greymouth is now so far completed as to enable the shipment of coal to be started; a few weeks more should see this work finished off and taken over by the Department of Working Railways.

The coal is admittedly of first-class quality. Such practical tests as have been made locally prove this; but, as the trade in this coal has just been inaugurated, there has been no time to ascertain the practical results obtained by the Railway Department and others to whom it has been supplied. In order that a thorough test of its suitability for Admiralty purposes may be made, the Government has supplied 200 tons, free of cost, to H.M.S. "Psyche" at Wellington. The result of this trial will be awaited with interest.

The total quantity of coal raised from the Seddonville Mine and disposed of to date is 16,201 tons, of which 8,886 tons were supplied to the Government railways, 6,908 tons for steamers' bunkers, the balance being disposed of to various consumers.

The general development and equipment of the State coal-mines have proceeded very well, and there is every reason to anticipate satisfactory results.

MIDLAND RAILWAY.

My colleague the Minister for Public Works mentioned in his Statement last year that a considerable amount of survey-work had been done on the Arthur's Pass section of this line at the instance of Mr. Bogue, the Consulting Engineer, who was called in to advise on the selection of the best route between Otira and the Bealey, and that full information to enable Mr. Bogue to prepare his final report on the matter had been sent to New York in October last.

For some months past the Government has been in almost daily expectation of receiving this report, but it has not yet come to hand. By last San Francisco mail, however, a letter was received stating that, although the full text of the report was still not quite ready, Mr. Bogue had fully made up his mind that the A-4 line would be the best one to adopt. This is one of the long-tunnel lines suggested by the engineers of the Public Works Department, and the result of this very exhaustive inquiry, therefore, is that the advice received by the Government from its own engineering staff is fully confirmed. This is very satisfactory, and shows that the confidence reposed by the Government and the country in the engineers of the Public Works Department is not misplaced.

The surveys, elaborate and extensive as they have been, have still been only of a preliminary character; and, now that we know which line is to be adopted, the next step will be to arrange to get it completely surveyed, and this will be done as soon as possible. The Tadmor, Springfield, and Reefton-Inangahua Sections of the Midland Railway are progressing as rapidly as moneys allocated therefor permits. Further proposals in reference to the Midland Railway will be submitted in the Public Works Statement.

RAILWAY-CONSTRUCTION.

The construction of the several railway-works in hand continues to make satisfactory progress. On the North Island Main Trunk Railway a length of thirty-eight miles has been opened for public traffic during the last twelve