FUTURE OPERATIONS.

In order to carry on operations at this colliery more successfully a larger output is required, and to meet this a considerable increase will be necessary in the supply of railway-wagons; and the mine as at present developed offers no difficulty in increasing the output to 60,000 tons for the current year.

Another great drawback experienced is the fact that all the output has to be screened, there being no market for unscreened coal, and this method entails extra expense and increases the working-cost.

Regarding the quality of the coal worked throughout the mine, it is all that can be desired, and the screened coal now sent to market should command the highest price obtainable for such in the Dominion.

GENERAL.

A new working agreement was entered into at the end of December last between the management and the workmen, and is giving every satisfaction.

All the machinery and plant in and about the mine has been maintained in an efficient state of repair.

To conclude, I wish to say that all the officers have performed their duties delegated to them in a most satisfactory way, and the Consulting Engineer has rendered most valuable assistance in the various developments connected with the mine.

The Under-Secretary, Mines Department, Wellington.

I have, &c., JAMES FLETCHER, Manager.