report was on very different terms—that the coals could not be used for railway purposes. Some correspondence had ensued since then, and Mr. Conyers had promised that he would order the use of the Company's coals as far as was practicable. What the directors were there to complain of was the dull, determined opposition of some understrappers and employés of the Railway Department. drivers, possibly, did not understand how to use the coals; probably they would not understand, because the coals caused them a little more trouble in firing. But the result of the trials proved not only the capability of the coals, but served to demonstrate that their use would be a very considerable saving. They conceived that the action of the railway people was a complete foil to the intention of the Legislature and the Company, and a great detriment to the public interest. The Company did not want their coals used unless they could be used advantageously; but they contended that not only could they be so used, but at a saving on cost of 25 per cent., as was shown by the report to which he referred. The objections made to this coal were, that there was about an extra ton of coal put into the fires during the eight hours' work. At the trial made under the superintendence of Mr. Armstrong, the Company offered to supply a fireman to show how it should be used, but the offer was declined. The trial was, however, done in all fairness by Mr. Armstrong with his own fireman. He (Mr. Cargill) understood that a similar coal to Walton Park was at the present time used on the Canterbury Plains Railways. There was there the same opposition; but Mr. Smith, who was in charge of the locomotive department there, simply said it must be used; and it was, all opposition ceasing. He (Mr. Cargill) had every reason to believe that the Walton Park coal, which could not be used, was even better than the Malvern Hills. All that stood in the way of the use of the Company's coal here was the determination of the drivers and employes, who did not like anything that was new.

No. 79.

Mr. H. B. McIntosh, Secretary, Walton Park Coal Company, to the Chairman of the Local Industries Commission.

Dunedin, 19th May, 1880. SIR,-Instructed by the chairman of the Walton Park Coal Company, I herewith enclose copy of all correspondence and reports in relation to the use of Walton Park coal for locomotive purposes.

I have, &c., H. B. McIntosh,

Secretary.

The COMMISSIONER of RAILWAYS, Middle Island, to Secretary, Walton Park Coal Company.

Office of Commissioner of Railways, Middle Island, Christchurch, 9th January, 1880.

SIR,-I have the honor to inform you that I am instructed by the Hon. the Minister of Public Works to accept your tender at 9s. per ton for native coal to the extent of such supplies of your particular description of coal as the Resident Locomotive Engineer, Dunedin, may require, provided you can supply a coal which will not clinker, and to the satisfaction of that officer. The Stores Manager has been instructed to send to you for execution the formal contract, which is subject to the above-I have, &c.,
WM. CONYERS, mentioned proviso.

The Secretary, Walton Park Coal Company. Commissioner of Railways, Middle Island. The SECRETARY, WALTON PARK COAL COMPANY, to the Locomotive Engineer, Dunedin.

Walton Park Coal Company's Office, Dunedin, 20th February, 1880. SIR,-I am instructed by the directors of the Walton Park Coal Company to inquire when it will be convenient to have the comparative trials of the Company's and other coals on one of the new American engines, as already promised by you. The directors are anxious that the trials be made as soon as possible.

I have, &c., H. B. McIntosh, The Locomotive Engineer, Dunedin. Secretary.

The LOCOMOTIVE ENGINEER, Dunedin, to the Secretary, Walton Park Coal Company. Locomotive Engineer's Office, Dunedin, 25th February, 1880.

Trials of Native Coal. SIR. I have the honor to acknowledge receipt of your favour of 20th instant relative to the trials of native coals on locomotives, and, in reply, beg to inform you that the trials were commenced on the 21st instant on one of the lately-imported American engines, and of this the two gentlemen appointed by your Company to watch the trials were duly apprised, and to which they have been giving their attention.

I have, &c., Thos. T. HERBERT, (for Locomotive Engineer.)

CONDENSATION of REPORT made to the Chairman and Directors of the Walton Park Coal Company in the various Coal Trials made between Dunedin and Palmerston under Mr. Armstrong, Superintendent of the Locomotive Department, Dunedin.

10th April, 1880. It has been reported that, after various trials have been made on the railway-line between Dunedin and Palmerston, for the purpose of ascertaining the relative values of different coals for locomotive purposes, the following results have been obtained:

1. That, for all practical purposes, the Shag Point and Walton Park lignites are very well adapted

for use in locomotives with large fire-boxes and roomy coal-carrying capacities.