

by the Secretary of Customs (Return No. 3) of coal imports and exports for the year 1881 shows that 129,962 tons of coal were imported, and 6,626 tons were exported during the year. The total output for the colony during 1881 is 337,262 tons. If therefore the quantity imported during the same period be added to this, and the export be deducted—assuming, as has been done in former reports, that the remainder has been consumed here—the total consumption in the colony during 1881 would be 460,598 tons, or an increase over the consumption of 1880 of 44,398 tons; the increase of coal won from mines in the colony during 1881 being 37,339 tons over the quantity raised in 1880, or 106,044 tons greater than the product of the mines in 1879, and 175,044 tons more than the yield of 1878; the output having more than doubled in three years, as will be seen from the following table, showing the total production of each of the past four years and the relative quantity imported:—

		Raised in the Colony.		Imported.
1878	...	162,218 tons	...	174,148 tons
1879	...	231,218 tons	...	158,076 tons
1880	...	299,923 tons	...	123,298 tons
1881	...	337,262 tons	...	129,962 tons

It will be seen that although the quantity imported this year is rather more than last year, the increase in the quantity raised in the colony is much greater than the increase of that imported, and the quantity produced in the colony would, no doubt, have been considerably greater if the appliances of certain mines and the means of transit from them had been in a more forward state. Increased facilities in both of these respects promise to be effected before long, when I hope that my anticipations of last year, that the development of our mines and the consumption of our own coal will soon be so far extended that importation will no longer be necessary, will be realized.

The increased output this year is principally derived from the Westport Company's Banbury mine, Westport, which yielded 20,000 tons more than last year, owing to the incline tramway works having been put into operation, and from the increased yield of 9,500 tons from the Kaitangata Company's mine. The construction of the incline tramway to the Koranui (Waimangaroa) mine, Westport, is proceeding; and prospecting operations, by deep boring with the diamond drill purchased from the Government, are being carried on at the Bay of Islands Company's mine at Kawakawa. During the year the commencement of a fleet of steamers for the sole purpose of the West Coast coal trade may be said to have been established, and the enterprise of Captain Williams, of Wellington, in purchasing and bringing a steamer from England direct to Westport, loading her there with coal, and bringing the cargo to Wellington, is especially to be commended. It is reported that arrangements are being made for the importation of more steamers of the most suitable class for the West Coast coal trade, and apparently it only remains for these and other arrangements in progress there to be successful to render a very large increase in this trade a certainty. An interesting item in the statistics is the output of 125 tons from the Picton coal mines. If the existence of good coal in quantity could be established there, an immediate trade upon a large scale would be the result, for owing to the facilities for shipping at Picton, and to its situation being central, the importance of a large coal field in that locality can hardly be over-estimated.

#### ACCIDENTS.

As I have intimated in the first section of this report, the small number of accidents which have taken place during the year is a cause of thankfulness, and I trust that this satisfactory condition of affairs may, to a considerable extent, be referred to the operation of the inspection of the mines, under the Regulation of Mines Act. In Return No. 2, following the appendix, will be found a list of accidents in coal mines during the year ending 31st of December, 1881. This shows that three persons (two of them being trespassers) have been killed, and that injuries to other persons were only of sufficient importance to report in six cases. These casualties all occurred in the South Island mines, those in the North having again been entirely free from accidents, as none from there have been