H.—11.

of a powerful diamond rock-boring machine in this part of the colony. this arrives, there will be one of these machines in the North (at present at the Bay of Islands), one at Reefton, and one in Canterbury, all being purchased

directly or indirectly with Government assistance.

The Collingwood mines have not been visited by the Inspectors since November last, when Mr. Cox was there; but Mr. Russell, the manager of the New West Wanganui colliery, informs me that Mr. Rees (the present proprietor) has now brought the Wallsend mine again into working order, and that the output has recently been twenty-five tons per day, finding a ready market in Nelson as a household coal, and also for the Union Company's steamers calling Two upper seams of a greater thickness than the lower ones have been reached within the last two months, and it is anticipated that the working of these two seams will shortly double the output, which will, however, probably be limited to this until improved facilities for shipping the coal at deep water have

The New West Wanganui Coal Company is now established. Prospecting during the year has proved coal in three bore-holes, and operations for coal-

getting will soon be commenced.

The special fleet of steamers referred to in last year's report as having been commenced by Captain Williams, of Wellington, has already assumed much larger proportions, the Union Steamship Company having now engaged in this enterprise by providing two new steamers of a very superior class, and Captain Williams informs me that he has ordered for this trade three more new steamers, which will cost between £40,000 and £50,000 (the first of his new steamers, the "Westport," having been lost near Cape Campbell, on the east coast of the Middle Island, during the past year), and that he hopes before long that his steam colliers trading in the colony will entirely supersede his sailing vessels now engaged in the (Australian) Newcastle trade.

The Grey River Argus newspaper of a recent date notes that Messrs. Kennedy Brothers (proprietors of the Brunner mine) have concluded a contract for supplying the Noumea Nickel Company, New Caledonia, with 250 tons of coke and 100 tons of coal monthly, the Messrs. Kennedy having purchased a barque expressly for this purpose, another vessel being provided by an Auckland firm; and this is considered by the Argus to be the possible commencement of a con-

siderable export trade.

Published with the Appendix are some notes by Mr. Cox upon what is claimed by the originators—Messrs. Sebastian Smith and Moore—to be an improved system of coal-getting by substituting compressed lime for blasting powder; and, in addition to the advantages specifically credited to this system, it is quite possible that it may to some extent affect the ventilation of mines, and that it may be also turned to advantage in this respect.

ACCIDENTS.

The small number of accidents in proportion to the dangers involved which have occurred during the past year is again a cause of gratulation, and, as I have indicated in the first part of this report, there appears little doubt that this may be attributed to a large extent to the operation of the Regulation of Mines Act, and to inspection of the mines under its authority, in establishing, and enforcing where necessary, means and precautions for grappling with the great perils which undoubtedly beset this industry.

The Return (No. 2) of accidents in coal mines during 1882, contained in the Appendix, shows that there were two fatal accidents, and that six persons were otherwise injured during the year in the Middle Island mines. One of these fatal accidents (which occurred in the Brunner mine) was particularly referred to in last year's report as having formed the subject of an inquiry and a prosecution under the Act, and the other was simply caused by a fall of gravel in a small open-work lignite mine or quarry, which had not been brought under the Act. The northern mines have been once more for a whole year exempt from accidents; but Mr. McLaren reports a slight accident from a fall of fire-clay in the Taupiri colliery, which happened during February of the present year. Of the six "non-fatal" accidents shown in the return, only one appears to