Another bad effect the closing has had is, that through the downcast air not travelling through the district, owing to its filling with black damp, has caused a very heavy drag on the current, and the ventilation has not been so good since the water rose above the air-levels; and to put stoppings in all the openings would cost a lot of money, and they must be kept open to examine them as far

as possible from time to time.

I would, therefore, strongly recommend your seeing the important interests that are at stake, both as regards the present occupiers of the mine and the public, to whom the mine belongs; that the Minister of Mines should be asked to appoint a Commission of, say, Dr. Hector and other practical authorities, with Mr. Binns, to examine and determine upon this, to our company, very serious question; as I firmly believe, if this large space is allowed to fill with water, it will be a I have, &c., W. H. WILLIAMS, standing danger to our future operations.

F. D. Rich, Esq., Managing Director, Shag Point Coal Company (Limited.) Manager.

H.—Mr. F. D. Rich to the Hon. the Minister of Mines.

SIR,— Wellington, 5th July, 1883.

I beg to enclose letter from the manager of the Shag Point Coal Company (Limited). Our manager is asking that an official inquiry should be held by competent authorities (including Mr. Binns), with a view that the workings referred to should not be closed. As I believe the matter referred to is of the most vital importance to present occupiers, as well as to the future welfare and value of the mine, I trust you will grant the desired investigation to determine what shall be done. I should take it as an especial favour if your decision and action arising therefrom should be with as much despatch as possible, as the manager is preparing, in compliance with Inspector's letter, dams which will cost from £300 to £500, and which will be unnecessary if it is decided not to close the submarine working.

I have, &c., F. D. Rich,

Managing Director, Shag Point Coal Company (Limited).

The Hon. the Minister of Mines.

I.—Mr. Cox's Report.

Geological Department, Wellington, 9th July 1883. Sir,—

Referring to the question of closing the Shag Point submarine workings, I have to point out that Mr. Williams's objections to the steps taken have no real value, and that Mr. Rich appears

to misunderstand the position.

It is evident from Mr. Binns's report that he had no idea of allowing the lower seam of coal to be worked below the area which it is proposed to shut off from the main shaft by dams, as he gives instances where a greater cover than would exist between the two seams have proved unsafe, and resulted in accidents and loss of life. The fact that the water is to be allowed to accumulate in these old workings does, in the first instance, relieve the mine from the expense of pumping which would be necessary to drain them; and, whether they were filled with water or not, the dams would have to be constructed as a safeguard against an influx from the sea, which would assuredly follow at some time or other, owing to the falls; and, although this may be very remote, the contingency would have to be provided for, and an overflow down the shaft prevented, unless great risk to life is to be incurred.

Of course, if the present submarine workings were drained, and the dams required put in, the lower seam could be worked below this area, so long as no falls of the roof occurred and no influx of salt water came in; but the workings would have to be conducted as if a head of water was lying above them, and in case of falls the men would have to be withdrawn, and the workings dammed off in the same way as is now necessary in the upper seam. I fail to see that any definite advantage to the mine is to be gained by keeping the water out of the present submarine workings; and, in the event of it being settled that these are in themselves unsafe, I think the steps taken are the best which suggest themselves. I have, &c.,

S. HERBERT Cox, Assistant Geologist and Inspector of Mines.

The Director of Geological Survey.

(Telegram.) Palmerston, 3rd July, 1883. SHAG Point closed, and water in shaft. Cannot get down to see anything. Will write you fully. Leaving for Dunedin. S. HERBERT Cox, Assistant Geologist.

Dr. Hector, Wellington.

Mr. OLIVER WAKEFIELD to Dr. HECTOR.

(Memorandum.) Please see Mr. Rolleston's minute within. Mr. Binns's Annual Report (Mines, 83/651) appended, Shag Point.

6th July, 1883.

OLIVER WAKEFIELD.

The Hon. W. Rolleston to Dr. Hector.

(Memorandum.) WILL you read the papers bearing on this matter, and say whether you consider there is a prima facie case for inquiry. I attach Mr. Binns's report (annual), from which it appears that his action