C.—3B.

that this coalfield was at some remote period of time the bed of a very large river, carrying seaward enormous quantities of gravel containing gold. Very fine gold is found all through the gravel, and in the vertical coal-fissures, which are very numerous, specks of gold are visible in quantity to a depth of 8 ft. in the coal from the gravel. I collected some of the larger specks, and had a very small quantity of the mud scraped off the coal-face at the depth stated. The mud was panned off, and the result was several grains of gold. The collier in this mine carefully scrapes all these vertical fissures, and has obtained as much as three pounds' worth of gold from one of the cracks. The collier says he often gets what may be classed as coarse gold. Some of the bits have quartz adhering to them. It would be wise for those consuming coal from this pit to carefully save the ashes and wash them for the gold they contain, since all the top coal must contain more or less gold.

Glendhu Coal-pit, Mataura.—(28/10/96): This is a new pit at the Hokonuis, and is situated about eight miles west of the Town of Mataura. The outcrop was lately discovered at the head of a small gully, where a small patch of it was exposed by stripping off a few feet of surface. The little work done shows the seam to be very much tilted on edge, probably 40°. The dip is towards the hills. The little coal to be seen is very friable, and the formation very rotten. So far as I am able to judge at present, it will be a difficult seam to mine and keep open, notwithstanding there being plenty of timber handy. I do not think it will pay to mine it to any extent. By stripping, some coal may be easily procured from the outcrop, but it is questionable if it will pay for the land so destroyed. The quality of the coal is much in advance of any

coal now being procured in the Mataura.

Townshend's Pit, Mataura.—(28/10/96): Very little work has been done in the pit since my

previous visit. Sufficient coal for home use is being taken out as required.

Sutton's Pit, Fairfax.—(12/11/96): Mr. Sutton is now working back towards the adit-mouth, and his present workings are about 3 chains in from the open face. The thickness of seam (5 ft.) continues the same without any variation to a distance of 5 chains from the open face, and has a remarkably level floor all the way. A considerable amount of space in the old workings is being

filled up with dross and other refuse.

Graham and Todd's Pit, Fairfax.—(12/11/96): All the workings, new and old, were visited and carefully examined. I found the roof down in two places in the old and extreme back workings (5 chains), where some of the timber is now showing more or less decay. In the present working-places the roof is in first-class order. The two men are working some distance apart and independent of each other. In Todd's present working-place the caps were resting on props at one end and at the other on a flimsy recess in the coal that could not possibly carry any weight that is likely to come on it at an early date and at any moment. The second prop under each cap was promised to be placed in position forthwith.

Slattery's Pit, Fairfax.—(12/11/96): This is still an opencast, and the stripping is now being done near the outcrop of the seam, where it is from 6 ft. to 7 ft., and the coal not more than 3 ft. thick. Toward the east the stripping rises to 10 ft., and the coal to 6 ft. thick. The stripping is being barrowed into the worked ground by the owner, but he generally employs one or two men in

the busy time just before harvest.

Reid's Pit, Nightcaps.—(13/11/96): This opencast is situated on the low flat on the west side of the main creek, under which the coal-seam dips quickly to the eastward. The stripping at the outcrop is about 5 ft., and on the western boundary of the section about 15 ft., a distance less than 3 chains. The overlying gravel is very tightly packed, and not easily removed with the pick, and for safety it is being removed in two benches, and dumped into the worked-out ground by horse and

trucks. The seam maintains an even thickness of 13 ft. of clean coal.

Nightcaps Coal Company.—(13/11/96): This company is mining coal from the adjoining section to W. Reid's, and on the east side of same. The section is very small, and is, I think, nearly worked out. The pillars are now being split in places, and much stoping has been done. All the working-places in the main pit were inspected and found in good condition. The air-current, however, was not what it should be, and I had to call attention to it. I understand preparatory work is in hand to improve the air-current by sinking a shaft at a shallow part, where there is not much labour required. The defect can, therefore, be remedied at an early date, and I have no doubt it will be done. A third place being worked by the company is situated some little distance higher up the valley, where the outcrop of the seam is found by stripping off 5 ft. of clay. The seam, however, stands at a considerable angle, but is not being followed beyond the depth that a California-pump will lift the drainage to the surface. The coal, which is of good quality and clean, is hauled to the incline by a horse along a tram-line.

Alley's Pit, Nightcaps.—(13/11/96): This is a continuation of the outcrop up the valley that is being worked by the Nightcaps Company. Alley uncovers the outcrop and follows it down only a

few feet to where the drainage is too heavy for him to work.

SERIOUS ACCIDENTS IN SOUTHERN COALFIELDS.

I have to report as follows on the several accidents which have occurred during the year ending the 31st December, 1896:—

Shag Point Mine (19th February).—John Simpson got his leg badly crushed against a stone

wall by a fall of coal and stone which rolled against him.

Mosgiel Mine (9th April).—William Mitchell got his face cut badly by a lump of clay from the roof of an adit bearing him down and his face and head coming in contact with a spade-blade.

Fernhill Mine (25th August).—Reid was killed by a fall of coal from his working-face. There was no one present at the time. It appeared he had holed the coal, and was probably in the act of cutting the right-hand side when it suddenly came away and caught him. There was no one to blame

The Under-Secretary, Mines Department, Wellington.

Inspector of Mines.