

The dredge-mining industry during 1907 has been more satisfactory than other branches of alluvial mining, for, although a decline of £81,565 has to be recorded in the gold-production by dredges, it is satisfactory to report that there has been an increase of £277 in the amount earned per dredge during the year. There is reason to believe that this industry has settled down to a steady and more permanent level. Claims are now worked systematically by well-proved methods, and, as a result, the dredging industry, taken all round, is run on sound commercial lines, as it was for many years prior to the disastrous boom period.

COAL-MINING.

The production of coal for the past year is the highest yet attained, being 1,831,009 tons, which exceeds the output during 1906 by 101,473 tons. The output from the three mining districts is shown in the following table :—

COMPARATIVE STATEMENT of COAL and LIGNITE raised during the Years 1906 and 1907.

Inspection District.	Output for 1907.	Increase or Decrease, 1907 and 1906.		Output for 1906.	Increase or Decrease, 1906 and 1905.	
	Tons.		Tons.	Tons.		Tons.
Northern ...	316,977	Increase	15,791	301,186	Increase	41,310
West Coast ...	1,052,022	"	89,107	962,915	"	106,688
Southern ...	462,010	Decrease	3,425	465,435	Decrease	4,218
Totals ...	1,831,009	Increase	101,473	1,729,536	Increase	143,780

The comparative tonnage of the various classes of coal, &c., for the years 1907 and 1906 is summarised as follows :—

Class of Coal.	Output for 1907.	Output for 1906.	Increase or Decrease for 1907.	
	Tons.	Tons.		Tons.
Bituminous and semi-bituminous ...	1,184,211	1,077,408	Increase	106,803
Pitch-coal ...	22,060	24,961	Decrease	2,901
Brown coal ...	515,797	521,003	"	5,206
Lignite ...	108,941	106,164	Increase	2,777
Totals ...	1,831,009	1,729,536	Increase	101,473

The total recorded output of the various classes of coal, lignite, and oil-shale is now 25,261,964 tons.

There continues to be an increasing demand for the high-class bituminous coal from the West Coast mines, and with a view to meeting these requirements new collieries are in course of development on the Buller and Grey Coalfields, in addition to which existing mines are being further equipped and prepared for increased outputs.

The collieries of the Westport Coal Company (Limited) produced during the year an output of 610,759 tons; the State collieries' output amounted to 240,773 tons; while in the North Island the Taupiri collieries produced 161,046 tons.

STATE COLLIERIES.

Operations at the State collieries continue to be extended to meet increasing demands. Depots for the sale of the superior household fuel mined at Point Elizabeth and Seddonville are now established at Wellington, Christchurch, Wanganui, and Dunedin. A short line of railway has been surveyed, and will be immediately constructed, to the extensive coal reserves on the western slope of Mount Davy, within the State colliery areas near Point Elizabeth.

The manufacture of briquettes from the waste slack from the Seddonville State Coal-mine was commenced during the past year. The fuel produced is of a high quality, and is largely used on the Government railways.

The net profits of the two State collieries during the financial year ended 31st March, 1908, amounted to £8,440 8s. 3d.