

Having in view that the output at the Liverpool Colliery is reduced, and the number of days worked at both collieries being considerably less than those worked during the previous year, it is only natural to expect that the cost of production will be increased, for there are many standing charges that cannot be reduced whether the mine works full time or otherwise.

Accompanying are copies of the working-plans of the Liverpool and James Mines workings.

In conclusion, I wish to state that the officers in all branches have loyally fulfilled their duties, all being imbued with the desire for the safe and successful working of the mines. I am also indebted to yourself for valuable assistance rendered in connection with new agreements for both collieries, also several other matters in connection with the mines.

I have, &c.,

I. A. JAMES, Superintendent

The Under-Secretary, Mines Department, Wellington.

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