

in exercising their powers so as not to render the operation of the Act unnecessarily arbitrary or vexatious in cases of real difficulty in complying with its provisions. Later, however, as the proposed amended Bill was not introduced (owing to Parliament being occupied with other matters), I took steps to complete the promulgation of the general rules contained in the Act, and instructed the Inspectors to be more particular in enforcing the provisions of the Act, and in seeing that the special rules established under it were complied with in all cases where necessary. Having regard to the apparent necessity referred to above of enforcing the Act by a gradual process, and in view of a proposed amended Act, the three Inspectors were at first appointed generally, and not to particular districts, Messrs. McLaren and Cox having charge of the North Island coal mines, and Mr. Binns those of the South Island; but as soon as it was definitely decided to make the inspection of mines as complete as possible under the present Act, all districts in which coal mines occur were, under recent instructions, proclaimed mining districts in accordance with section 4 of the Act, Mr. Inspector McLaren being formally appointed respectively to the mining districts of Kawa-Kawa and Waikato, in the Provincial District of Auckland, and Mr. Inspector Binns respectively to those of Pelorus, Kaikoura, West Wanganui, Westport, Greymouth, Jackson's Bay, Malvern, Timaru, Otago, and Southland, in the South Island. A copy of the Proclamation of these districts follows this report. Mr. Inspector Cox, who is only paid a small salary for his duties as an Inspector, has made one inspection during the year of the North Island coal mines, in company with Mr. McLaren, as will be seen by their joint reports in the appendix. Mr. Cox is not at present attached to a district; but is available at Wellington in case of emergency, and for advice, as required. Mr. McLaren is located at Grahams-town, and Mr. Binns at Dunedin.

#### NUMBER OF COAL MINES, STATISTICS, &c.

Mr. Binns reports a large increase in the number of coal mines in the South Island during the year, and steps are now being taken to establish the Act, and general and special rules (where necessary) in these new mines.

In the North Island the number of coal mines remains the same, one of the Waikato mines having been worked out, and a new one which promises a more extensive area of coal having been opened by the same company upon the opposite side of the river.

The number of coal mines in the Colony shown in last year's report was thirty. This year ninety are accounted for. Many of these, however, in the South Island, making up the increased number, are upon a very small scale, some being open-work lignite mines, and some standing; but it is very possible that next year's report will show some of these mines to have developed into much larger concerns, and I agree with Mr. Binns, that the smallest coal mines should be subject to inspection as well as the others, especially as small mines are frequently worked upon a very bad system, and in other cases, where they are likely to open a more extensive area of coal, it is of the greatest importance that they should commence operations under efficient inspection.

A tabular statement of statistics of workings in coal mines, showing also the total output from the various mines for the year 1879, and the approximate total output from the coal mines in the Colony to the end of 1879, will be found in Return No. 1 to the appendix.

Following the plan adopted in my last report, I also append a statement (Return No. 2) of coal imports and exports for the year 1879, by the Secretary of Customs. This shows that 158,076 tons of coal were imported during the year, being 16,072 tons less than the quantity imported in 1878. Then again proceeding to comparisons, if we add the total output for the Colony during 1879 to the quantity imported, and deduct the export during the same period, assuming that the remainder has been consumed here, the total consumption in the Colony during 1879 would be 382,099 tons, or an increase over the consumption of 1878 of 49,654 tons; the increase of coal derived from mines in the Colony during 1879 being 69,000 tons over the quantity raised in 1878.