

And during the first twenty-one years a royalty of 6d. per ton is provided, to be thereafter increased to 1s. per ton. The rent, however, is not chargeable if the royalty exceeds it in amount.

103. From this mine no output appears to have resulted for the first three years of the first-mentioned lease; or, at all events, if coal was extracted it did not exceed at 6d. per ton the dead-rent, which was therefore charged in lieu thereof.

	£	s.	d.
During 1875, 1876, and 1877, this amounted to	582	15	0
From 1878 to 1889, both inclusive, the output was 290,385 tons, and yielded in royalty at 6d. per ton	7,258	7	6
Since the 1st July, 1886, under a lease of surface granted to Charles Taylor and others for nine years at £35 per annum, 3½ years to the end of 1889 having accrued, yielded	122	10	0
In all	7,963	12	6

The output from this mine has materially increased since the amalgamation under the Grey Valley Coal Company.

The following table shows the figures during the currency of the above leases, inclusive of 1889:—

	£	s.	d.
1875 ... .. Dead-rent,	194	5	0
1876 ... .. "	194	5	0
1877 ... .. "	194	5	0
Total ... ..	£582	15	0

	Tons	cwt.		£	s.	d.
1878 ... .. Royalty on	8,000	0	at 6d.,	200	0	0
1879 ... .. "	13,833	0	"	345	16	6
1880 ... .. "	14,373	0	"	359	6	6
1881 ... .. "	13,957	0	"	348	18	6
1882 ... .. "	16,308	0	"	407	14	0
1883 ... .. "	15,659	0	"	391	9	6
1884 ... .. "	25,848	0	"	646	4	0
1885 ... .. "	29,548	0	"	738	14	0
1886 ... .. "	33,384	0	"	834	12	0
1887 ... .. "	26,573	18	"	664	6	6
1888 ... .. "	33,460	0	"	836	10	0
1889 ... .. "	59,391	0	"	1,484	16	0
Total ... ..	290,334	18	"	7,258	7	6

104. We are unable to report the amount of the railway revenue derived from the coal-output under these two leases, but, as the Brunner-Mawheranui Railway was opened in 1876, leaving out all the coal on which royalty has been paid in that and previous years, and assuming that all the subsequent output has passed over the line, this railway has carried—

From the Brunner Mine	559,875 tons.
And from Coal-pit Heath	290,335 "
	850,210 "

#### WALLSEND MINE.

105. The lease of the Wallsend Mine was originally granted to the Grey-mouth Coal Company in 1875. The first shaft was sunk by that company to a depth of 640ft., but encountered difficulties and sold to a syndicate, which again transferred to the Westport Coal Company. A second shaft was then sunk near to the first, and that is the present Wallsend Mine.

106. This lease, which was granted by the Minister for Public Works covered an area of about 1,000 acres, and contained a proviso that in the event of the company fulfilling all the conditions thereof and paying all