The initial project at Callaghan's did not fulfil early expectations, but at Weaver's Crossing close boring and surveys have disclosed an area of about 100 acres which will yield not less than 4,000,000 tons of good-quality coal, the ratio of overburden to coal being about 5 to 1. It is intended to commence work on this project as soon as certain engineering problems have been settled and other formalities concluded.

At Barker's area the possibility of extensions to recover a further 500,000 tons of coal by opencast means is being examined in detail, and the prospects look very good indeed.

Other potential areas at Maori Farm and in the vicinity thereof will be investigated by the project engineer as soon as possible.

A bright future for opencast coal-mining in the Huntly district is indicated.

King-country

At Waitewhena, where conditions are not easy during the wet season, work proceeded with a commendable record of steady work. Small blocks not suitable for opencast work have been let to parties of miners working on a co-operative basis. The contractors have now taken over all phases of the opencast operation, and a general improvement has resulted.

BULLER DISTRICT

Delay in securing plant held up work on a small opencast block at Denniston, but road access has now been completed and coal-production should commence in the near future.

At Stockton a decrease in output was due to less days being worked than usual. A very large area of coal to be won by opencast methods has been proved and modern expensive plant to deal with a large output is on the site. Unfortunately, the loss by fire of No. 4 substation has greatly reduced the haulage capacity of the existing transport. Exhaustive efforts to obtain replacement plant in N.Z. were fruitless, and an order had to be placed in England for a mercury arc rectifier, which is expected to arrive within a few months. When installed, this will give some relief, but full advantage of the productive capacity of the opencast project will not be secured until the new aerial ropeway is functioning.

REEFTON DISTRICT

Production from the south-east side of the vertical seam at Garvey Creek has been slower to commence than anticipated, but it should be under way this summer. Arrangements for stripping two small blocks on the other side of the creek have been made. A contract for the first mile of road access to the main block has been let.

Otago District

A steady output was secured from the Wangaloa opencast area, which is being operated in a very satisfactory manner for the Department by the Ministry of Works. The State holds rights over a large area of coal in this district suitable for mining by the opencast method.

OHAL DISTRICT

Production from the Black Diamond Mine again showed a substantial increase over that of the preceding year, and operations are being maintained on a satisfactory basis.

At McLean's Opencast, situated on the Star property, work was continued until the No. 1 Section was exhausted, when attention was directed to diverting the creek and other work preparatory to commencing operations on the adjoining No. 5 Section. Reserves of coal in this and the adjacent No. 2 Section are sufficient to maintain the present rate of production for some years to come.