

United States for the year 1906 was 414,157,278 tons ; for 1907 about 450,000,000 tons. If the production of anthracite coal is continued at only its present annual rate, the supply will be exhausted in sixty to seventy years. Since the beginning of our coal industry the production has doubled approximately every ten years." If such has been the history of the American coal industry from its inception until now that it has reached the immense output of 500,000,000 tons annually, is there any reason why that history in a smaller degree should not apply to the future coal industry of this young country, which nature has endowed with great advantages and enormous resources for developing a variety of industrial pursuits not hitherto attempted ? Prudence demands that we should without delay take the necessary precautions to preserve to the people all available means of producing heat, light, and motive power required for future use in transport and manufacturing purposes.

What may prove to be an important discovery of a good quality of lignite was made during the year a few miles from the Waimarino Station, on the North Island Main Trunk Railway. A good deal of exploration-work was carried out during the year under the Director of Geological Survey, but no conclusion as to the value of this discovery has so far been arrived at. The explorations undertaken up to the present disclose the existence of a considerable area of coal which may prove of a very good quality for household purposes. With a view to further proving the commercial value of this field the Government has arranged to start a few men soon to drive a small prospecting-tunnel from one of the outcrops. This work will be put in hand almost immediately.

The development of a new colliery is being promoted by the Waipa Railway and Collieries Company, with a capital of £80,000. The locality to be operated is favourably reported on as being extensive, and capable of economical exploitation.

The Taupiri Coal Company also propose opening a new mine in the same neighbourhood with as little delay as possible : these new developments will necessitate the construction of about six or seven miles of a branch railway from Huntly, including the erection of a large bridge over the Waikato River. The plans for this bridge are at present being prepared.

Further discoveries of coal-outcrops have been made during the year between the Wairoa and Hokianga Rivers. Pressure of other important and urgent work prevented a geological report being obtained on these outcrops, but attention will be given to them at the earliest opportunity.

STATE COAL-MINES.

The production of coal from the State collieries during the year was carried on with satisfactory results, the total output being 281,630 tons, being a decrease of 5,321 tons as compared with that of the previous year. There was a decrease of 18,406 tons in the output from the Point Elizabeth Mine owing to a cessation of work at the mine pending the arrangement of a new working-agreement : since this was settled work has proceeded under normal conditions.

The Seddonville Mine produced 74,180 tons during the year, being an increase of 15,137 tons over the output of the previous year. Prospecting-bores have been put down in a new section of this mine with satisfactory results ; and further prospecting-bores will be put in during the year, as the present workings are being worked out. It is probable the development-works in this new section of this mine will require to be undertaken soon.

The development-work in connection with the Point Elizabeth No. 2 Colliery is making satisfactory progress : contracts were let some time ago for 6,338 ft. of tunnels on the haulage-road between the bins and the mine-adit, and 1,710 ft. of these tunnels were driven before the 31st March. The extension of the railway from Runanga to the bins is well advanced, and the erection of the new bins is now in hand. Headings are being driven in the mine, and the coal, in seams of from 12 ft. to 20 ft., is turning out to be of excellent quality. I expect that coal from this mine will be on the market within the next ten months.

The briquette-works were idle for several months of the year, owing chiefly to the demand for small coal having greatly increased in consequence of the strike in the New South Wales coal-mines.

The depots generally have had increased demands for coal, resulting in the extension of trade and more profitable results.