

1904.
NEW ZEALAND.

STATE COAL-MINES

(REPORT ON THE WORKING OF) FOR THE YEAR ENDING THE 31ST MARCH, 1904.

*Presented to both Houses of the General Assembly in accordance with the requirements of
Section 14 of "The State Coal-mines Act, 1901."*

POINT ELIZABETH COAL-MINE.

Mr. JAMES BISHOP, Manager of State Coal-mines, to the UNDER-SECRETARY OF MINES, Wellington.

SIR,—

Greymouth, 11th July, 1904.

I have the honour to submit my annual report on the State Coal-mines at Seven-mile Creek, Point Elizabeth, for the year ending 31st March last.

Having only taken charge of the State Coal-mines in April last, I may be permitted to say that a large portion of this Point Elizabeth property was thoroughly examined and practically prospected under my direction about seven years ago, on behalf of the Greymouth-Point Elizabeth Railway and Coal Company, who were at that time strongly recommended to proceed with opening up the mines.

There are several seams of coal on the property. The upper seams (two) were exposed show a thickness of from 18 in. to 2 ft. only: no work has been done on these. The next seam is what is known as the Exhibition Seam, the outcrops of which are found on the cliff facing the Seven-mile Creek, and there the thickness ranges from 6 ft. to 16 ft. The other outcrops exposed in the Seven-mile Creek are lower in the measures, and show seams of good workable thickness and of excellent quality.

UNDERGROUND DEVELOPMENT.

At present work is mainly confined to the winning of coal from the Exhibition Seam, affecting which are two large faults coursing north and south, each causing a displacement of about 100 ft., the coal being thrown down in each case to the west. These conditions necessitated putting in three working-tunnels, which are driven from the south-west slope of the range. The positions of these tunnels are shown on the plan attached to this report. The tunnels are numbered 1, 2, and 3.

No. 1 tunnel was driven a distance of 10 chains through rock, when it cut the coal, which is from 10 ft. to 12 ft. thick. After cutting coal the main tunnel was extended into the bottom bedding a distance of 60 ft. for the purpose of erecting the terminal wheel for the main-haulage rope. This led to the cutting of a second seam of about 5 ft. 6 in. thick of excellent coal, hard and bright; between these two seams there is 15 ft. of hard rock. The workings on the Exhibition Seam in this section of the mine are opening up very well. The main level has been driven about 8 chains, and four headings on the rise of the seam a distance of 4 chains, and from them there are ten working-faces. The coal produced is of excellent quality. In the lower seam there are four working-faces, and the coal won has so far given every satisfaction. The whole of the workings in this section are well ventilated by a fan erected on the surface at the top of an incline shaft which is connected with the underground airways.

No. 2 tunnel was driven a distance of $11\frac{1}{2}$ chains in rock before cutting coal, as will be seen from plan. This tunnel deals with the area between the first and second faults, and at the points where the coal is intersected by the stone drive the seam is of splendid quality, and from 10 ft. to 12 ft. thick. From the point of intersection levels have been driven both east and west; the former has reached a distance of $5\frac{1}{2}$ chains, the latter $3\frac{1}{2}$ chains; and inclines from these levels have been driven to the rise of the coal. In the leading places, viz., the face of levels and inclines, a band of stone has been met with varying in thickness from a few inches up to 2 ft. 6 in., and it continues to increase as the places go toward the rise. The coal both below the band and above it is of good quality, but it requires great care to prevent portions of the stone and black shale becoming mixed with the coal when being mined and loaded by the miners. This is a difficulty met with in almost all coal-mines, and will here, as elsewhere, necessitate the putting-down of appliances at the loading-bins to enable the coal to be picked over and freed from stone before being loaded into railway-wagons.

No. 3 tunnel in stone is now driven 13 chains, and is intended to enable coal to be worked on the seaward or western side of No. 2 section, from which it is separated by a fault. These two sections have been connected in order to enable one ventilating-fan to serve both. The arrangements are such as to permit of the tunnel being used for haulage of coal or for a travelling-way without impeding the ventilation.

With the object of testing the field of coal on the north side of Seven-mile Creek a tunnel 4 chains long has been driven. The coal in this portion of the property is very dense and hard, the thickness of the seam being about 6 ft. Nothing has been done in the tunnel for some time, but operations will soon have to be continued for the development of this northern part of the field.

WORKS FOR GENERAL DEVELOPMENT.

A double line of endless-rope-haulage road has been constructed connecting Nos. 1 and 2 tunnels with the loading and storage bins at railway-line. The rope-line is a continuous one; the same rope is carried into both Nos. 1 and 2 tunnels round terminal wheels near the point where the stone tunnels intersect the coal. The steam-engine actuating the endless rope has been erected near the loading-bins, and is fitted with all necessary tension-appliances. Workshops for smiths and carpenters have been erected in this vicinity, where repairs will be effected, and much of the new work required will be done there when the machine tools ordered from England have arrived and been placed in position.

Bins for storage and loading of railway-wagons are in course of erection. One section is complete, which has a holding-capacity of 400 tons, and when the whole is completed the storage will be increased to 2,000 tons. The foundations for the uncompleted portion have been laid down, and most of the framing-timber is on the ground, but it will take fully four months to complete.

All the timber to be used on the works will be obtained from the sawmill the property of the mine, which is capable of cutting about 7,000 superficial feet of timber per day. A contract was let to cut 500,000 ft., including logging and haulage and all expenses of the delivery, of either heart of birch or red-pine timber at the mill, as may be ordered for the mine requirements or buildings; the contract price of the timber being 3s. 9d. per 100 superficial feet for red-pine up to 30 ft. lengths and 5s. 9d. over 30 ft., and for black-birch 4s. 3d. up to 30 ft. and 6s. for over, per 100 superficial feet. The saving effected by the erection of this mill will be equal to the total cost of its construction when the present contract for the half-million feet is completed. The mill will be a very important adjunct to the revenue, as a large amount of timber will be required for buildings in the Runanga Township, on which there is a considerable quantity of standing bush fit for milling purposes which can be readily obtained at small cost, and should be taken out as early as possible to prevent it being burned by those owning sections. Timber sawn up at the mill suitable for buildings will be readily saleable to parties putting up houses in the township.

SETTLEMENT OF MINERS.

At present there is considerable difficulty being experienced by miners who are desirous of settling at or near the mine, for at present the streets in the new township have not been cleared; it is consequently very difficult for holders to get access to their sections. The result is that most of the workmen are squatting outside of the township altogether wherever there is a chance and any little clearing done. Most of these people are occupying small huts, and many are in tents.

In view of the probable rapid increase in the output of coal and consequent influx of population, it would be well that early and energetic steps should be taken to clear the streets.

The railway connecting the mine with the port has been completed up to the storage-bins, but there is still considerable work to be done to complete the backshunt, which will probably take two months. Until this is done work towards haulage-road for seams north of Seven-mile will have to remain in abeyance.

The shipping of coal began on the 27th May this year, the first shipment being 200 tons for H.M.S. "Psyche," and up to date about 5,000 tons have been sent away.

The development of the colliery has progressed to such extent that an output of 2,000 tons weekly can be relied upon.

In conclusion I would add that the works in design and construction reflect credit on the late Mr. A. B. Lindop, my predecessor, the Consulting Engineer, and staff.

I have, &c.,

JAMES BISHOP, Manager.

The Under-Secretary, Mines Department, Wellington.

SEDDONVILLE COAL-MINE.

Mr. JAMES BISHOP, Manager of the State Coal-mines, to the UNDER-SECRETARY OF THE MINES DEPARTMENT, Wellington.

SIR,—

Greymouth, 11th July, 1904.

I have the honour to submit my annual report on the State Coal-mine at Seddonville for the year ending the 31st March last.

This property was formerly held by the Westport Cardiff Coal Company, who opened out the mine and worked a small area of coal on the northern part of the lease, after which they suspended work temporarily, and during this period of suspension fire broke out underground, and led to the company abandoning the mine.

The area in which the fire broke out is cut off from the larger part of the lease by a fault of considerable magnitude, and the area now being operated on, and in which the workings of the State Mine are being opened, is on the southern side of the fault, in what is known as the Cave Area.

A series of boreholes were put down to prospect this part of the lease, and coal of good thickness was found in many of these bores. The coal is also exposed in several outcrops in the cliff facing Chasm Creek. With the object of testing this coal, a tunnel, starting from a point known as Grant's Face, was driven a distance of 15 chains in excellent coal, when a slight dislocation of the measures was met with. The result of the work done here induced those in charge of the operations to recommend that the Cave Area should be opened as a State mine, and in order to provide for the exploitation of this area a main tunnel, 10 ft. wide by 7 ft. high, was commenced from the northern face of the range, and driven in stone for a distance of $24\frac{1}{2}$ chains, when coal was cut dipping at a high angle in a southerly direction towards Grant's Face; and, as the coal in Grant's Face is 32 ft. lower than that cut in the main tunnel, and is rising in a northerly direction—the distance between the two parts being 33 chains—there can be no doubt about the existence of a fault or dislocation between them. The main tunnel is being continued on a line almost parallel with the prospecting-tunnel already referred to as having been driven from Grant's Face. The horizontal distance between the two lines of tunnel is about 3 chains. On the 31st March the main tunnel was completed for a distance of 28 chains, and had to be extended a further distance of 12 chains, to the point where it is expected the coal will be cut, on the southern side of the dislocation referred to.

For the ventilation of the workings opened on the coal first cut in the main tunnel a shaft has been sunk, and a fan—originally in use at the Westport Cardiff Company's workings—was removed and re-erected at the top of the shaft.

For the haulage of the coal from the mine-workings to the railway at Seddonville Flat an endless-rope-haulage line has been constructed and equipped. There are two lines of 40 lb. rails laid, the full tubs travelling on one line and empties on the other. The distance from the mouth of the main tunnel is 91 chains, and from tunnel-mouth to terminal wheel 25 chains, or 116 chains in all. The rope, which is of $3\frac{1}{4}$ in. circumference, is about 250 chains in length. These works were completed in November of last year, when coal-shipments began.

The development of the mine has been vigorously carried on since the completion of the haulage-road. The main level, with back level for air, has been driven a distance of 250 yards, and nine inclines are being driven on the rise of the seam, from which bords have been opened, the pillars being about 22 yards square.

So far as mine-development has gone, the seam is of good workable thickness—from 8 ft. to 12 ft.—but it is of a soft and friable character, easily broken up in transit. But, although it is soft, the quality is good, and if used with fine openings in the furnaces it would be difficult to find a better fuel for steam purposes; and even the fine dross, if used for domestic purposes, cakes quickly, and makes, when broken up, a bright fire with a strong heat. The engineers on steamers using this coal speak very highly as to its steam-generating properties; but unless the fire-bars are close there would be much waste owing to cinders and unconsumed coal dropping through into the ashpit. This accounts for the small consumption of this coal since starting the sale of it.

From November last till the 31st March the total output from the mine was 7,190 tons, and since the end of March to the 30th June the average weekly output has been 812 tons, which can easily be doubled if a market can be found for the coal.

The haulage machinery and coal-storage bins erected by the Westport Cardiff Coal Company have been utilised, after being thoroughly repaired and considerably improved. Indeed, the bins may be said to be almost new, as most of the timber in the old structure was greatly decayed and had to be replaced. The storage-capacity of the bins is 900 tons.

The railway sidings or station-yard has been put in good condition and improved by the construction of a backshunt line 24 chains in length for empty wagons. From this line there are three lines branching and running under the bins to facilitate loading. The repairs consisted of filling in a washed portion of the station-yard and cutting a channel to prevent reflooding.

The new works have been carried out in a very substantial manner, and they are well suited to their purpose. The whole of the plant is in excellent order, and when the tunnel is completed through the stone to the coal on the southern end of the lease a much-increased demand for the coal may be anticipated.

The plan hereto annexed, made up to end of June, shows the coal-workings now being carried on: the main tunnel, Grant's Face prospecting-tunnel, shafts and bores put down for prospecting purposes.

I have, &c.,

JAMES BISHOP, Manager.

The Under-Secretary, Mines Department, Wellington.

NEW ZEALAND STATE COAL-MINES.

Balance-sheet of Point Elizabeth Mine at 31st March, 1904 (as required by the Audit Office).

	<i>Liabilities.</i>			<i>Assets.</i>		
	£	s.	d.	£	s.	d.
Proportion of debentures allocated to Point Elizabeth Mine	80,	449	7 1			
Proportion of sundry creditors	754	4	11			
Proportion of accrued interest payable	1,277	0	0			
	<hr/>					
	82,480	12	0			
	<hr/>					
Point Elizabeth Mine—						
Cost at 31st March, 1903				4,024	12	3
Additional expenditure during the year				24,765	7	2
				<hr/>		
Point Elizabeth Railway—						
Cost at 31st March, 1903				27,901	8	0
Additional expenditure during the year				25,084	16	8
				<hr/>		
Proportion of cost of Greymouth office furniture .. .. .				..
Balance in hand, State Coal-mines Account				4,032	17	9
Less vouchers passed outstanding				2,694	11	0
				<hr/>		
				£1,338	6	9
	<hr/>					
Proportion of balance in State Coal-mines Account allocated to Point Elizabeth Mine .. .. .				..
	<hr/>					
	£82,480	12	0			
	<hr/>					
				669	3	4
				£82,480	12	0
	<hr/>					

Balance-sheet of Seddonville Mine at 31st March, 1904 (as required by the Audit Office).

	£	s.	d.
<i>Liabilities.</i>			
Proportion of debentures allocated to Seddonville Mine ..	26,550	12	11
Proportion of sundry creditors ..	754	4	11
Proportion of accrued interest payable ..	381	8	5
	<hr/> 27,686		6 3 <hr/>
Seddonville Mine— Cost at 31st March, 1903 Additional expenditure during the year		..	..
Proportion of cost of Greyhound office furniture		..	..
Sundry debtors		..	..
Balance in hand, State Coal-mines Account		..	..
Less vouchers passed outstanding		..	..
	<hr/> £1,338		6 9 <hr/>
Proportion of balance in State Coal-mines Account allocated to Seddonville Mine ..		..	..
Profit and Loss Account		..	..
	<hr/> <hr/> £27,686		6 3 <hr/> <hr/>

Seddonville Colliery Profit and Loss Account for the Year ended at 31st March, 1904.

Dr.		Cr.		£	s.	d.
To Coal-winning—		By Sales of coal	..	3,528	18	4
Wages ..	2,662	Stock of coal on hand	..	221	7	6
Materials used	234					
Stores used	70	Discounts ..	..	3,745	5	10
		Balance loss	..	89	0	4
Management and office salaries				882	6	1
Interest ..	284					
Travelling-expenses ..	310					
Printing, stationery, and advertising	105					
Railway haulage	5					
Insurance ..	874					
General expenses	3					
	115					
	<u>£4,666</u>					
	12					
	<u>3</u>					
	£4,666					
	12					
	<u>3</u>					

State Coal-mines Office, Greymouth, 10th July, 1904.

LOUIS H. EILERS, Accountant.

P. HAYES, F.S.A.A. Eng., Inspecting Accountant.

Examined and found correct—J. K. WARBURTON, Controller and Auditor-General.

The foregoing is the balance-sheet and statements of accounts drawn up as required by the Audit Department in accordance with section 14 of "The State Coal-mines Act, 1901."

JAS. MCGOWAN,
Minister of Mines.

Statement of General Profit and Loss Account for the Year ended 31st March, 1904.

Dr.		Cr.	
To Seddonville Colliery—	£ s. d.	By Seddonville Colliery Working Account: Gross profit	£ s. d.
Management and office salaries	284 10 8	Discounts	777 8 10
Interest	310 17 11		39 0 4
Travelling expenses	105 5 2	Balance (loss)	816 9 2
Printing and stationery	5 13 1		882 6 1
Railway-haulage	874 3 8		
Insurance	3 2 6		
General expenses	115 2 3		
	<u>1,698 15 3</u>		<u>£1,698 15 3</u>

Statement of Seldonville Colliery Working Account for the Year ended 31st March, 1904.

[illegible]

Statement of Seddonville Colliery Profit and Loss Account for the Year ended 31st March, 1904.

[illegible]

Statement of the Receipts and Expenditure of the State Coal-mines Account for the Year ended 31st March, 1904.

Dr.	Receipts.			Cr.			Expenditure.			£ s. d.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
To Cash in hand and in bank at 31st March, 1903	12,576	10	0	By Point Elizabeth Railway—			15,859	9	8			
Debitures issued	55,000	0	0	Wages	..	..	7,078	2	3			
Seddonville Colliery, proceeds of coal	1,800	17	1	Materials and stores	..	..	200	8	1			
Point Elizabeth Colliery, proceeds of sales of timber	45	1	0	Freight and cartage	..	..	47	7	6			
Point Elizabeth Colliery, rails sold	360	2	7	Travelling-expenses	..	..	17	12	8			
Refund Accounts	115	14	0	Instrument allowance	..	..	16	9	1			
				Telephones	..	..	23,219	9	3			
				Point Elizabeth Colliery—								
				Wages	..	..	12,356	4	9			
				Materials and stores	..	..	3,288	2	1			
				Machinery, plant, and rolling-stock	..	..	6,447	15	3			
				Freight and cartage	..	..	600	9	7			
				Compensation for accidents	..	..	14	7	1			
				Seddonville Colliery—			22,706	18	9			
				Wages	..	..	11,501	16	7			
				Materials and stores	..	..	2,598	3	8			
				Machinery, plant, and rolling-stock	..	..	2,807	9	11			
				Freight and cartage	..	..	479	19	3			
				Railway-haulage	..	..	419	8	0			
				Compensation for accidents	..	..	401	6	0			
				Greymouth office furniture			17,708	3	5			
				Management and office salaries	..	..	70	9	3			
				Travelling-expenses	..	..	1,138	3	4			
				Printing, stationery, and advertising	..	..	821	18	10			
				General expenses	..	..	106	11	5			
				Insurance	..	..	703	7	3			
				Debiture-interest	..	..	12	10	0			
				Cash in hand and in bank at 31st March, 1904	..	..	4,032	17	9			
				Less vouchers passed outstanding	..	..	2,694	11	0			
							1,338	6	9			
							£69,898	4	8			

State Coal-mines Office, Greymouth, 20th June, 1904.
 LOUIS H. EILERS, Accountant.
 P. HEYES, F.S.A.A. Eng., Inspecting Accountant.

JAS. MCGOWAN,
 Minister of Mines.

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