

SESSION II.
1906.
NEW ZEALAND.

STATE COAL-MINES

(REPORT ON THE WORKING OF) FOR THE YEAR ENDING THE 31ST MARCH, 1906.

*Presented to both Houses of the General Assembly in accordance with the requirements of Section 108 of
"The Coal-mines Act, 1905."*

Mr. JAMES BISHOP, Manager of State Coal-mines, to the UNDER-SECRETARY FOR MINES, Wellington.
SIR,—Greymouth, 10th July, 1906.

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

POINT ELIZABETH COLLIERY.

In previous reports I have dealt somewhat fully with the physical features of the reserves on which this colliery has been opened, as also with the peculiarities hitherto met with in the course of the underground development.

In this connection a disappointing feature has been the thinning of the coal-seam now being operated on as the workings advanced towards the rise of the field. This, taken in conjunction with the system of faults known to exist in the region, has demanded constant and careful attention being given to exploratory work in order that the colliery may be maintained in a position to cope with the trade, and increase the output of coal as demand arises.

The principal work done in this direction during the year comprises boring by diamond drill, extending new headings underground, and the examination of surface outcrops. In all, 2,200 ft. of boring has been done, one bore having been carried to a depth of 1,600 ft., proving a number of seams, two of which are workable and can be developed later on. The result of the boring is not conclusive as regards the lower or Moody Creek seams, and further boring will be required before deciding the position of works required to develop these coals.

The outcrops examined on the outlying part of the reserves show seams varying in thickness from 2 ft. to 20 ft., the latter being of a high-quality bituminous coal. These seams will be further examined, and their position ascertained by survey at the very earliest opportunity.

Underground Development.

The developments underground have been continued on the lines indicated in my last year's report.

The dip headings in Nos. 1 and 2 sections are being continued. The former has reached a distance of 16 chains, and the latter 33 chains. In both sections the coal has maintained an average thickness of 10 ft., and is of excellent quality.

Coal-winning.

The quantity of coal raised during the year amounts in the gross to 131,816 tons 8 cwt., made up of 85,493 tons 9 cwt. from No. 1 section, 44,464 tons 7 cwt. from No. 2, and 1,858 tons 12 cwt. from No. 3.

Nos. 1 and 2 have produced coal from both rise and dip workings, No. 3 from the rise only, and as the same indications of thinning have been met with as in Nos. 1 and 2, work in this direction will not be continued, but steps will be taken to test this part of the colliery to the dip.

Surface Works.

The whole of the surface works and machinery have been maintained in efficient working-order, and a new hauling plant has been erected at No. 1 tunnel, to enable coal to be raised from the new dip workings.

The alterations and additions made at the storage-bins and tipping-platform have proved most satisfactory, for by means of the distributing-belts the storage can be filled to the maximum holding-capacity at the smallest possible cost for labour, and the same applies to the tipping-machines recently erected, which are capable of dealing with the largest possible output with a minimum of labour.

Future Developments.

The development-work now in hand consists of the erection of a powerful haulage-engine and air-compressing plant. The former is to deal with an output of 1,000 tons daily from the dip workings, and the latter to supply compressed air for pumping and auxiliary haulage engines.

In addition to the above plant, it will be necessary at an early date to proceed with the installation of a new and powerful ventilating-fan, capable of producing at least twice as much air as is now done by the two fans in use. This installation is necessary for the ventilation of the rapidly extending dip workings now opening, and to give air for the development of the underlying seams.

For the working of the lower seams cross-measure tunnels will be required to connect with the present seam, from which all the coal will be raised to the surface.

It may also be found necessary to increase the storage-capacity of the bins as a further means of preventing stoppage of the mine and delays to shipping.

Accidents.

There have been a number of minor accidents during the year, and some which may be classed as serious, but no fatality. However trivial accidents may be, they generally cause some loss of working-time to the employees, and are the cause of increased cost to the industry.

Harbour and Shipping Facilities.

It is gratifying to be able to state that steps are being taken to improve the facilities for handling the coal at the port.

At present the Railway Department is pushing on the erection of a new portable hydraulic crane; it is also intended to alter the present cranes to portable ones.

The General Manager of Railways has prepared a comprehensive scheme embracing extended sidings, strengthening of wharf, and removal of buildings now blocking the work of the port. When this is given effect to, and with some additions to rolling-stock, the equipment of the port will be reasonably complete.

SEDDONVILLE COLLIERY.

In my last year's report on this colliery reference was made to the extension of the workings to the south of Chasm Creek, where for some time prospecting operations had been carried on, and for the connection of which with the haulage system it was necessary to bridge the above-named creek and extend the haulage-rope. These works were completed during the Christmas holidays, 1905. The creek is spanned by a substantial bridge, and the haulage has been extended into the main heading south of the creek.

The coal in this new district at the time the rope was extended had proved very good in parts, but, like the area on the north of the creek, it has been subject to severe disturbance, and will in consequence produce a considerable percentage of crushed coal, although it will probably prove on the whole superior to any coal worked from north of the creek.

Additions to Plant.

In order to meet requirements of the Railway Department for screened coal, it was decided to erect appliances for screening and sorting the coal into three classes—lump, nuts, and peas. The system has undoubtedly enabled a very fine class of screened coal and nuts to be produced, and it is hoped that the output of these classes will be found acceptable to the Railways and consumers generally, thus keeping the mine fully employed.

Coal raised.

The colliery has produced 46,085 tons during the year, most of which has been taken by the Railways.

Future Developments.

It is hoped that the field south of Chasm Creek, in which direction developments are being extended, will prove more extensive in hard coal than the field on the north. It is, however, too much to expect the coal to continue uniformly hard; it will therefore be necessary to keep exploration-work well ahead.

In connection with the developments now being considered, which is practically opening a new mine (as will be seen by reference to the plan), a new ventilating-fan has to be installed, and a fan of a new type, known as the "Sirocco," has been selected, and will soon be on the ground and erected.

For the utilisation of the small coal, the briquette plant referred to in last year's report is in course of erection at Westport, a site having been chosen at the port in preference to the mine. The starting of this plant should have a beneficial effect on the working of the colliery, and improve the commercial aspect of the concern.

It has been the aim of the management to keep down cost of production, but in consequence of the frequent interruptions to work and smallness of the output, the costs have been higher than if given a regular and greater output.

In concluding my report on the collieries, permit me to say that the officers have discharged their duties most satisfactorily, and in the discharge of my duties I have received valuable assistance from the Consulting Engineer.

The Under-Secretary, Mines Department, Wellington.

I have, &c.,
JAMES BISHOP, Manager.

BALANCE-SHEET OF THE NEW ZEALAND STATE COAL-MINES.
Statement of Liabilities and Assets at 31st March, 1906.

		£		£	s.	d.	£		£	s.	d.
<i>Liabilities.</i>							<i>Assets.</i>				
Debiture loan	..	..	..	18,533	19	7	Point Elizabeth Colliery and Development Property Account—		..	..	..
Sundry creditors	..	..	..	2,450	0	0	Cost at 31st March, 1905		..	..	18,436 5 4
Accrued interest	..	..	..	2,800	0	0	Less depreciation		..	..	1,842 12 6
Debiture Sinking Fund	..	..	..				Additional outlay during the year		..	..	16,583 12 10
							Depreciation, 10 per cent.		..	..	1,094 9 2
							Machinery, plant, ropes, and rolling-stock—		..	..	17,678 2 0
							Cost at 31st March, 1905		..	..	1,767 16 2
							Less depreciation		..	..	15,910 5 10
							Additional outlay during the year		..	..	..
							Depreciation, 10 per cent...		..	..	..
							Buildings at mine—		..	..	..
							Cost at 31st March, 1905		..	..	£18,605 3 1
							Less depreciation		..	..	1,860 10 4
							Additional outlay during the year		..	..	16,744 12 9
							Depreciation, 10 per cent...		..	..	3,966 19 6
							Buildings at mine—		..	..	20,711 12 3
							Cost at 31st March, 1905		..	..	2,071 3 3
							Less depreciation		..	..	18,640 9 0
							Additional outlay during the year		..	..	..
							Depreciation, 10 per cent...		..	..	..
							Cottages—		..	..	..
							Cost at 31st March, 1905		..	..	300 0 0
							Less depreciation		..	..	30 0 0
							Depreciation, 10 per cent...		..	..	270 0 0
							Stores (stock on hand)		..	..	27 0 0
							Timber (stock on hand)		..	..	1,064 7 7
							Coal (stock on hand at mine)		..	..	83 9 6
							Coal (stock on hand at wharf and afloat)		..	..	£137 8 4
							Seddonville Colliery and Development Property Account—		..	..	167 11 6
							Cost at 31st March, 1905		..	..	304 19 10
							Less depreciation		..	..	1,452 16 11
							Additional outlay during the year		..	..	38,026 6 11
							Depreciation, 10 per cent...		..	..	12,620 13 2

Machinery, plant, ropes, and rolling-stock, cost at 31st March, 1905 15,283 2 11
Less depreciation 1,528 6 3
13,754 16 8
Additional outlay during the year 1,308 12 9
15,063 9 5
1,506 6 11
Depreciation, 10 per cent. 590 0 0
59 0 0
Buildings at mine, cost at 31st March, 1905 531 0 0
Less depreciation 53 2 0
477 18 0
Cottages, cost at 31st March, 1905 360 0 0
Less depreciation 36 0 0
324 0 0
32 8 0
Depreciation 10 per cent. 291 12 0
3,990 19 7
Briquelette plant 345 9 11
Stores (stock on hand) £150 0 0
Coal (stock on hand at mine) 238 14 8
Coal (stock on hand at wharf and afloat)

Point Elizabeth Railway Property Account—Balance outstanding
Hulks Property Account, cost at 31st March, 1905
Less depreciation, 10 per cent.

Christchurch Depot Property Account
Greymouth office furniture
Less depreciation

Depreciation, 10 per cent.
Wellington office furniture
Less depreciation

Depreciation, 10 per cent.

Sundry debtors
Cash in hand and in the Public Account at 31st March, 1906
Less vouchers outstanding

£188,791 14 8

15,283 2 11
1,528 6 3
13,754 16 8
1,308 12 9
15,063 9 5
1,506 6 11
590 0 0
59 0 0
531 0 0
53 2 0
360 0 0
36 0 0
324 0 0
32 8 0
291 12 0
3,990 19 7
345 9 11
£150 0 0
238 14 8
388 14 8
784 4 7
31,672 9 10
1,684 6 5
2,340 0 0
284 0 0
2,106 0 0
2,250 0 0
182 17 1
62 12 8
245 9 9
4,697 0 6
106,878 19 5
3,768 18 2
103,110 1 3
£188,791 14 8

Statement of General Profit and Loss Account for the Year ended 31st March, 1906.

Dr.		Cr.	
	£ s. d.		£ s. d.
To Point Elizabeth Colliery—		By Point Elizabeth Colliery Working Account: Gross profits	84,907 7 6
Management and office salaries	1,561 19 11	Seddonville Colliery Working Account: Gross profits	19,856 13 6
Rents	136 4 0		
Interest and exchange	2,680 19 10		
Travelling-expenses	489 5 0		
Printing and stationery	74 9 2		
Telegrams and postages	174 0 7		
Repairs and maintenance	344 16 0		
Railway haulage	11,678 9 11		
Insurance	21 15 0		
Marine Insurance	295 1 4		
Compensation for accidents and fund	683 13 0		
General expenses	138 0 7		
Marine freights	40,537 16 3		
Hulks' Working Account	454 19 6		
Railway freights	22 19 8		
Charges (Wellington)	240 8 5		
Depreciation: mine, buildings, plant, and machinery	4,063 14 5		
	63,593 12 7		
Seddonville Colliery—			
Management and office salaries	970 12 11		
Rents	70 16 0		
Interest and exchange	2,233 2 11		
Travelling-expenses	326 3 3		
Printing and stationery	49 12 10		
Telegrams and postages	116 0 5		
Repairs and maintenance	20 0 7		
Railway haulage	6,222 13 10		
Insurance	14 10 0		
Marine Insurance	67 7 1		
Compensation for accidents and fund	149 10 3		
General expenses	176 15 11		
Marine freights	8,285 5 11		
Hulks' Working Account	909 18 11		
Charges (Wellington)	192 1 9		
Bad debts; New Zealand Railways Account	396 17 2		
Depreciation: mine, buildings, plant, and machinery	2,994 2 10		
	23,195 12 7		
Greymouth and Wellington office furniture account depreciation	27 5 6		
Debiture sinking fund	2,800 0 0		
Balance net profits for the year	14,647 10 4		
	£104,264 1 0		£104,264 1 0

Statement of Point Elizabeth Colliery Working Account for the Year ended 31st March, 1906.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Stock of coal on hand at 31st March, 1905	By Sales of coal	..	..	..
Coal-winning—				Stock of coal on hand—			
Wages	At mine	..	..	137 8 4
Materials used	At wharf and afloat	..	..	167 11 6
Stores used..				
Balance gross profits at mine	Timber account, gross profits	..	..	..
							304 19 10
							605 11 3
							<u>£123,149 11 8</u>

Statement of Point Elizabeth Colliery Profit and Loss Account for the Year ended 31st March, 1906.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Management and office salaries	By Balance of Working Account : Gross profits at mine	..	..	..
Reuts				
Interest and exchange				
Travelling-expenses				
Printing and stationery				
Telegrams and postages				
Repairs and maintenance				
Railway haulage				
Insurance				
Marine insurance				
Compensation for accidents and fund				
General expenses				
Marine freights				
Hulks Working Account				
Railway freights				
Charges (Wellington)				
Depreciation : mine, buildings, plant, and machinery				
Balance : Net profits for the year				
							63,593 12 7
							21,313 14 11
							<u>£84,907 7 6</u>

Statement of Seddonville Colliery Working Account for the Year ended 31st March, 1906.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Stock of coal on hand at 31st March, 1905	By Sales of coal	..	..	..
Coal-winning—				Stock of coal on hand—			
Wages	At mine	..	..	150 0 0
Materials used	At wharf and afloat	..	..	238 14 8
Stores used				
Balance : Gross profits at mine				
							11,371 16 0
							19,356 13 6
							<u>£31,373 5 3</u>

Statement of the Receipts and Expenditure of the State Coal-mines Account for the Year ended 31st March, 1906.

Dr.	Receipts.	£ s. d.			Cr.	Expenditure.	£ s. d.		
		£	s.	d.			£	s.	d.
To Cash in hand and in Public Account at 31st March, 1905	0	By Point Elizabeth Colliery—	Property and development ..	1,163	15	2
Sundries Refunds	0	14	Machinery, plant, and rolling-stock ..	Buildings ..	2,865	11	0
Sales of coal, Point Elizabeth	..	120,778	16	8	Stores and materials	Wages ..	117	18	7
Sales of coal, Seddonville	..	31,731	15	6	Timber ..	Wharfage, &c. (Wellington)	5,188	3	8
Recoveries	..	1,778	9	2	Railway freights ..	..	34,704	18	6
							1,010	5	7
							207	14	8
							30	9	1
							45,288	16	8
					Seddonville Colliery—	Property and development ..	2,657	17	2
					Machinery, plant, and rolling-stock ..	Stores and materials	786	9	4
					Wages ..	Briquette plant ..	1,617	3	9
					Wharfage, &c. (Wellington)	..	10,346	4	8
							3,803	5	7
							166	2	9
					Hulks Working Account ..	Christchurch depot property	..	..	..
					Management and office salaries	Rent ..	2,537	6	4
					Interest and exchange ..	Marine freights	145	12	6
					Travelling-expenses	Printing and stationery ..	4,914	2	9
					Telegrams and postages ..	Repairs and maintenance	45,105	3	3
					Railway haulage..	Marine insurance	705	14	6
					Insurance ..	Compensation for accidents and fund	105	18	1
					General expenses	..	290	1	0
							298	10	2
							18,006	7	0
							366	2	4
							36	5	0
							833	5	4
							310	3	4
							73,654	11	7
					Cash in hand and in Public Account at 31st March, 1906	Less vouchers passed outstanding	106,878	19	5
							3,768	18	2
							103,110	1	3
							£244,824	9	11

State Coal-mines Office, Wellington, 12th July, 1906.

LOUIS H. EILERS, Accountant.
P. HEYES, F.S.A.A. Eng., Inspecting Accountant.

JAS. MCGOWAN,
Minister of Mines.

BALANCE-SHEET OF THE STATE COAL-MINES FOR THE YEAR ENDING 31st MARCH, 1906.

The Hon. the Minister of Mines.

Audit Office, 23rd August, 1906.

"THE Coal-mines Act, 1905," in section 108 of the provisions for State coal-mines, requires that, with respect to *each coal-mine* worked by the Minister, he shall cause a balance-sheet to be prepared, together with a statement of accounts, and such balance-sheet and statement of accounts to be submitted to the Audit Office for audit. There should accordingly be submitted two balance-sheets, one for the Point Elizabeth Mine and one for the Seddonville Mine. The balance-sheet submitted, being one balance-sheet for the two mines, does not comply with the statutory requirement, and cannot be audited or certificated as doing so.

J. K. WARBURTON,
Controller and Auditor-General.

Hon. the Minister of Mines, Wellington.

In reply to the memorandum of the Controller and Auditor-General on the State coal-mines balance-sheet, I have to say that the balance-sheet and statements have been audited and found correct. The balance-sheet fully complies with all the requirements of "The State Coal-mines Act, 1905," section 108, with respect to each coal-mine.

In accordance with subsection (d) of section 108, the balance-sheet has been submitted to the Audit Office for audit, but the Controller and Auditor-General objects to certify on a question as to the form, which cannot be overcome. There is no alternative, therefore, but that the balance-sheet as submitted be presented to Parliament.

3rd September, 1906.

P. HEYES,
Inspecting Accountant.

REMARKS ON THE STATE COAL-MINES ACCOUNTS.

THE capital outlay on the Port Elizabeth Colliery is	...	...	...	£38,026 6s. 11d.
The capital outlay on the Seddonville Colliery is	...	...	...	£31,672 9s. 10d.

On the General Profit and Loss Account—that is, the result of operations of both mines conjointly—the net profits are	£14,647 10s. 4d.
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The Point Elizabeth Colliery Profit and Loss Account shows net profits	...	£21,313 14s. 11d.
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The Seddonville Profit and Loss Account shows a loss	...	£3,838 19s. 1d.
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The net profits realised on Point Elizabeth Colliery over all expenses equals 3s. 2½d. per ton on the coal sold.

The net profit realised on the entire operations of both mines over all expenses equals 1s. 1½d. per ton on the coal sold.

The sales realised an average return—

On the coal from Point Elizabeth Colliery, of	18s. 4½d. per ton.
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On the coal from Seddonville Colliery, of	14s. 9½d. per ton.
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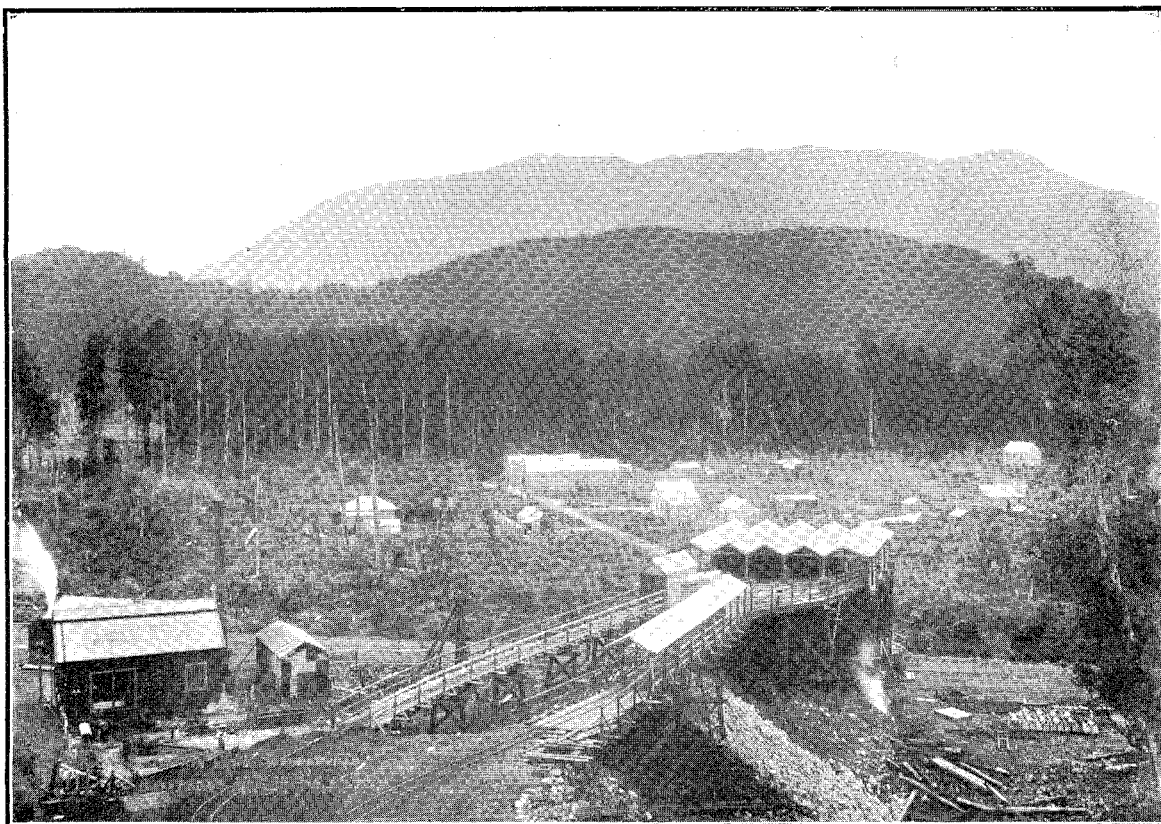
12th July, 1906.

LOUIS H. EILERS,
Accountant.

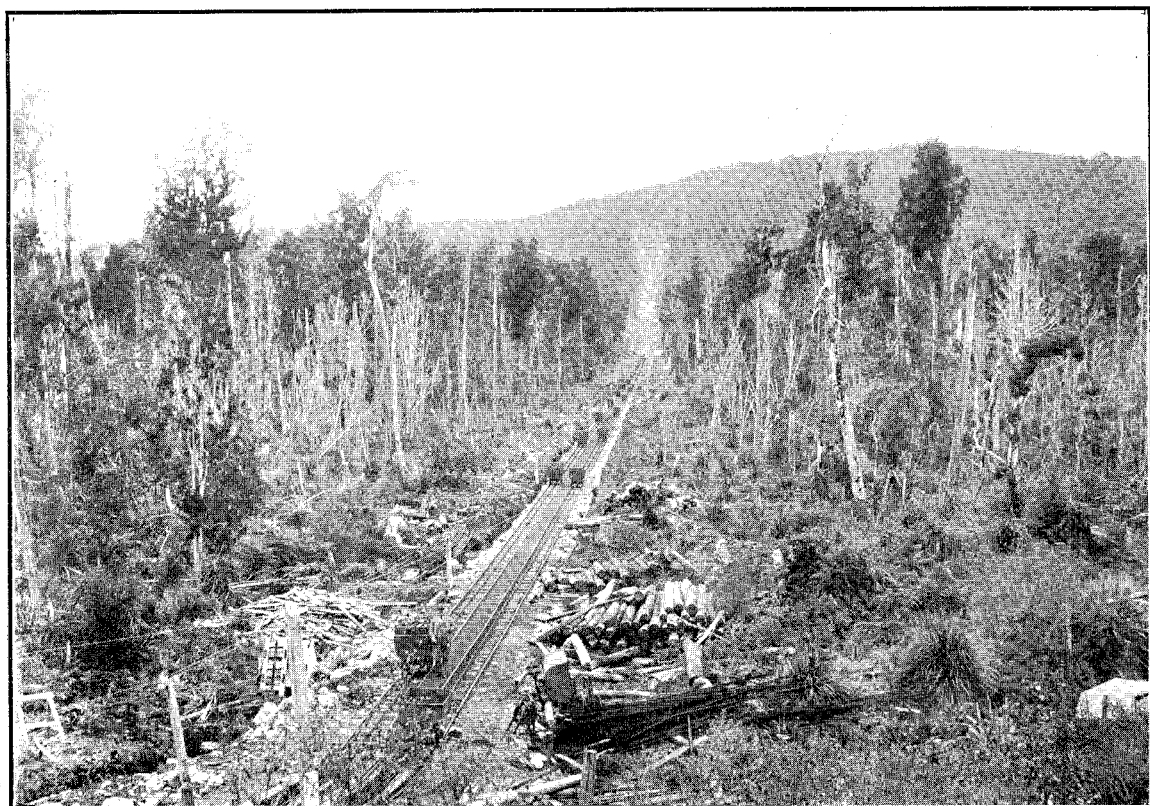
Approximate Cost of Paper.—Preparation, not given; printing (2,250 copies), £ 8 13s.

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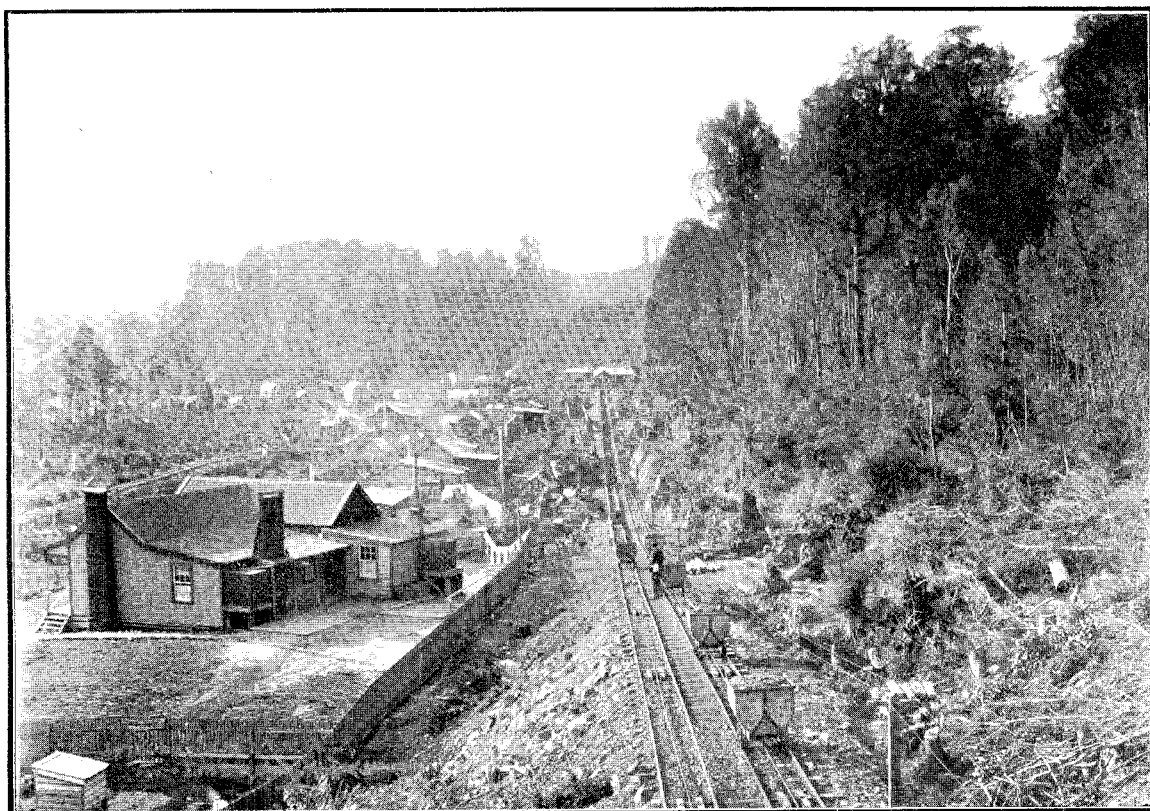
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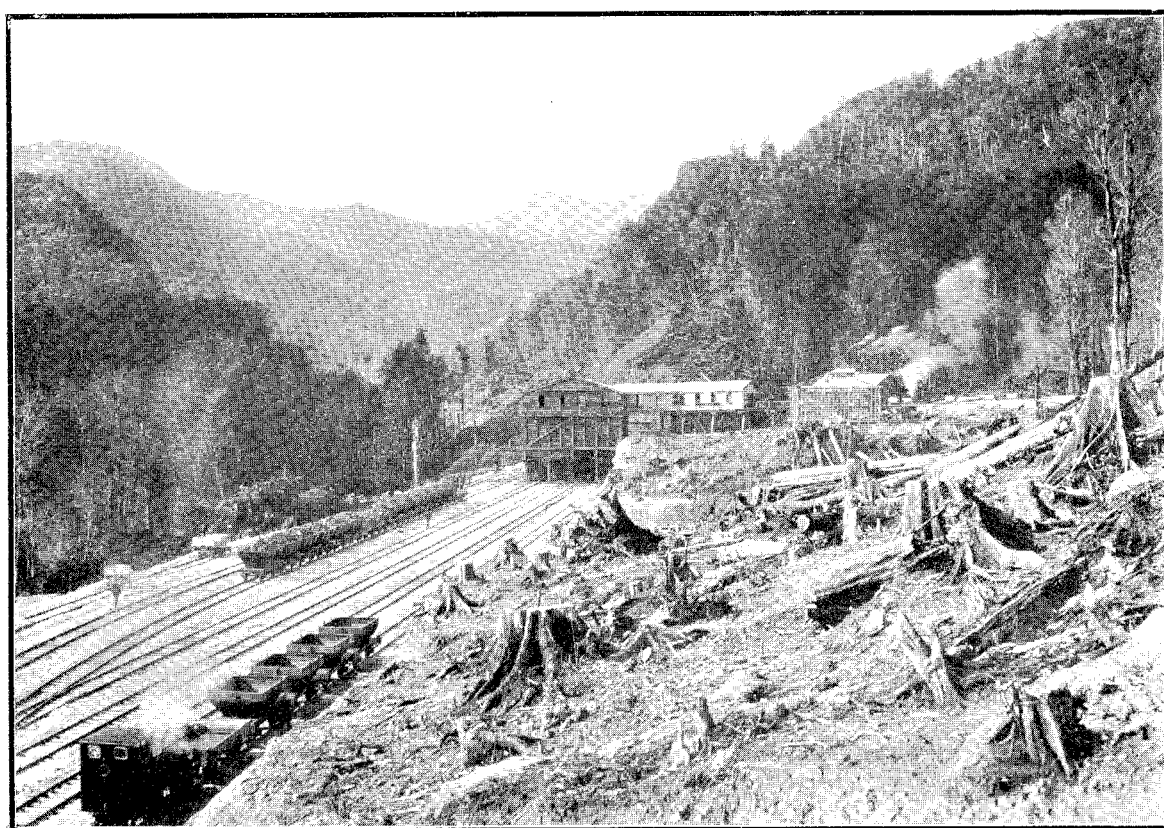
BINS, SEDDONVILLE STATE COAL-MINE.



TRAMWAY, SEDDONVILLE STATE COAL-MINE.



MANAGER'S HOUSE, POINT ELIZABETH STATE COAL-MINE.



BINS, POINT ELIZABETH STATE COAL-MINE.

NEW ZEALAND STATE COAL-MINES
POINT ELIZABETH COLLIERY.

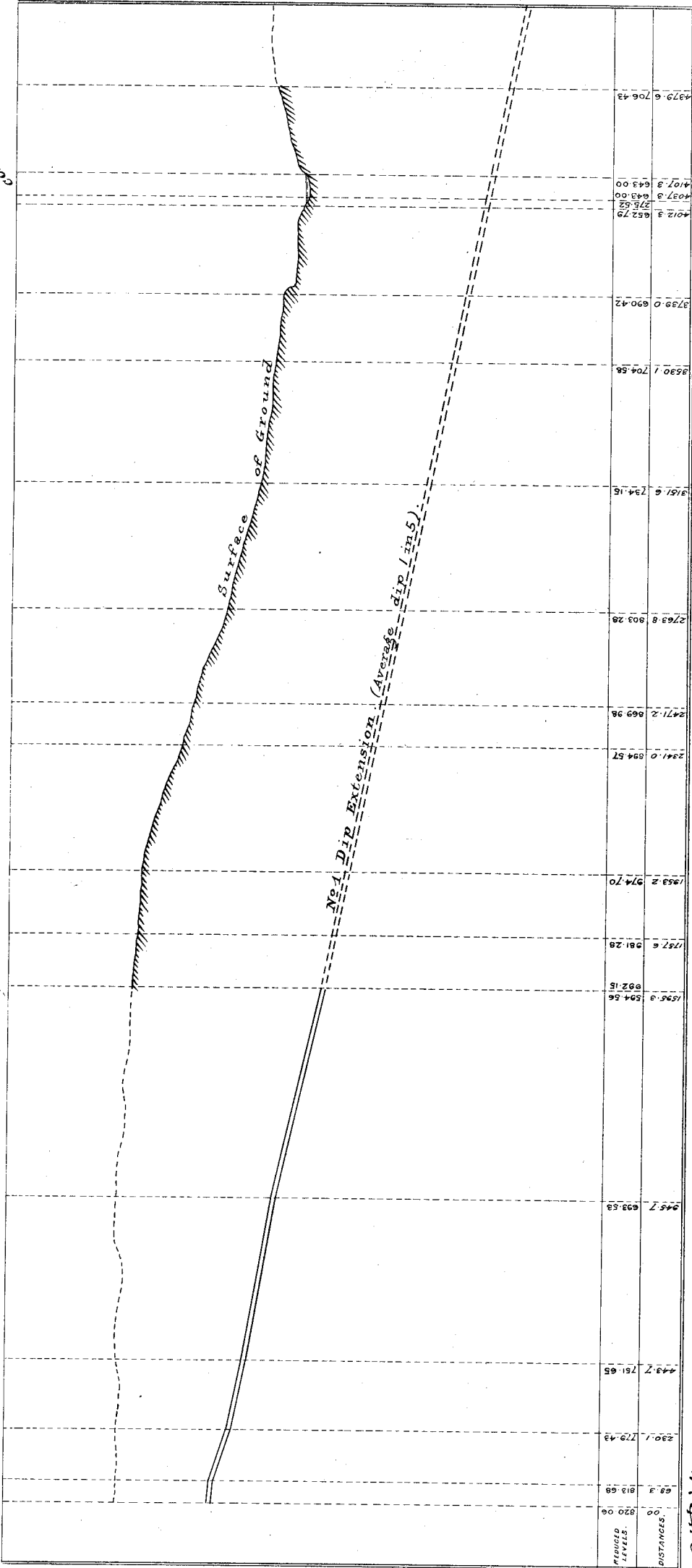
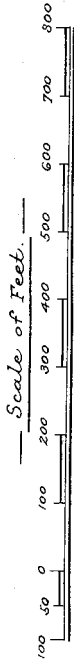
James Bishop. M.I.M.E. Manager.

State of N.E. Dip. 14.5.06
End of N.E. Dip.

LONGITUDINAL SECTION OF MAIN DIP.

(No. 1 TUNNEL.)

R. H. Muir
Authorised Surveyor.
18/5/06.

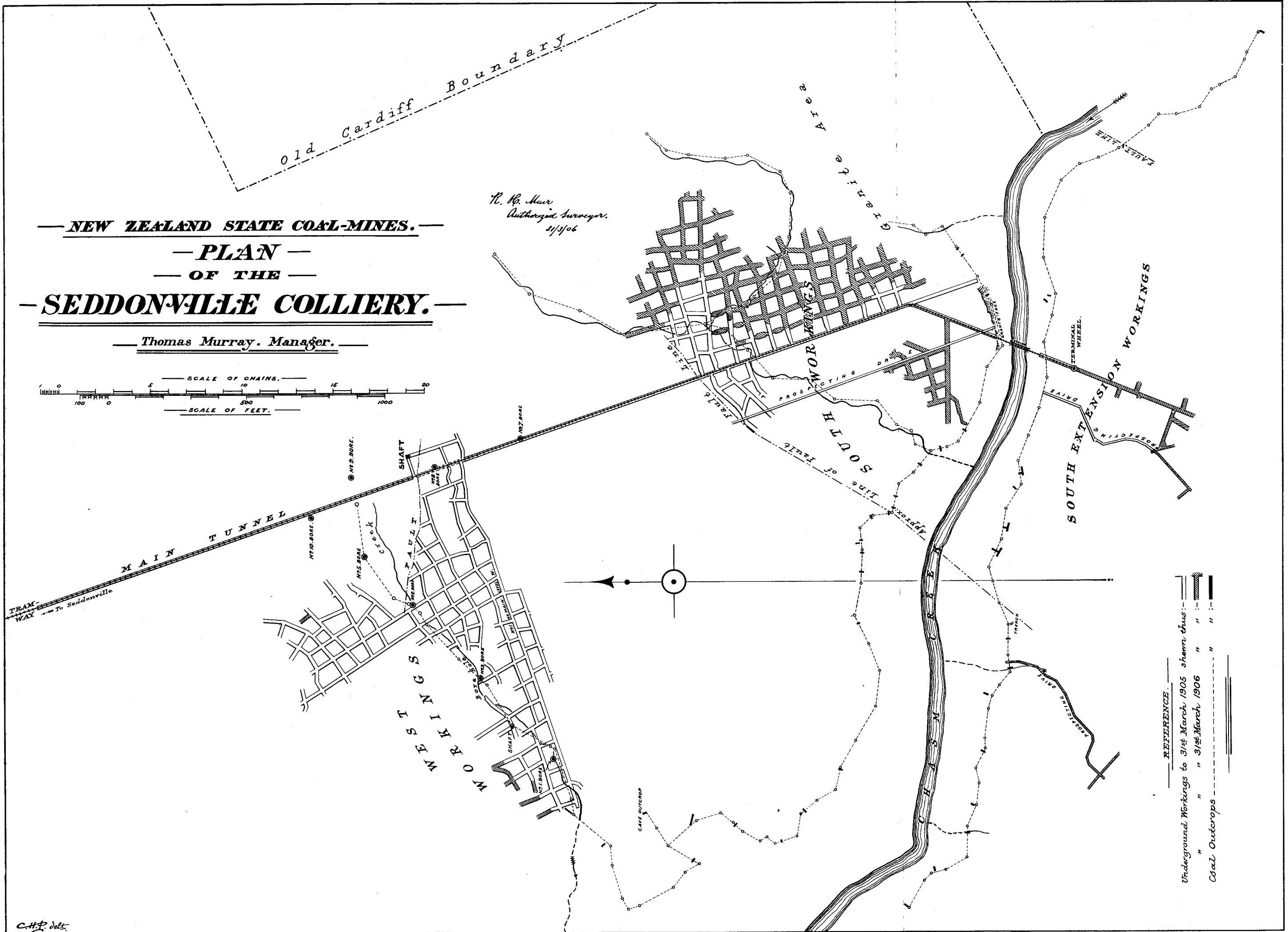
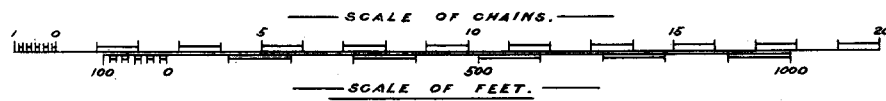


C.H.P. det.

— **NEW ZEALAND STATE COAL-MINES.** —
 — **PLAN** —
 — **OF THE** —
 — **SEDDONVILLE COLLIERY.** —

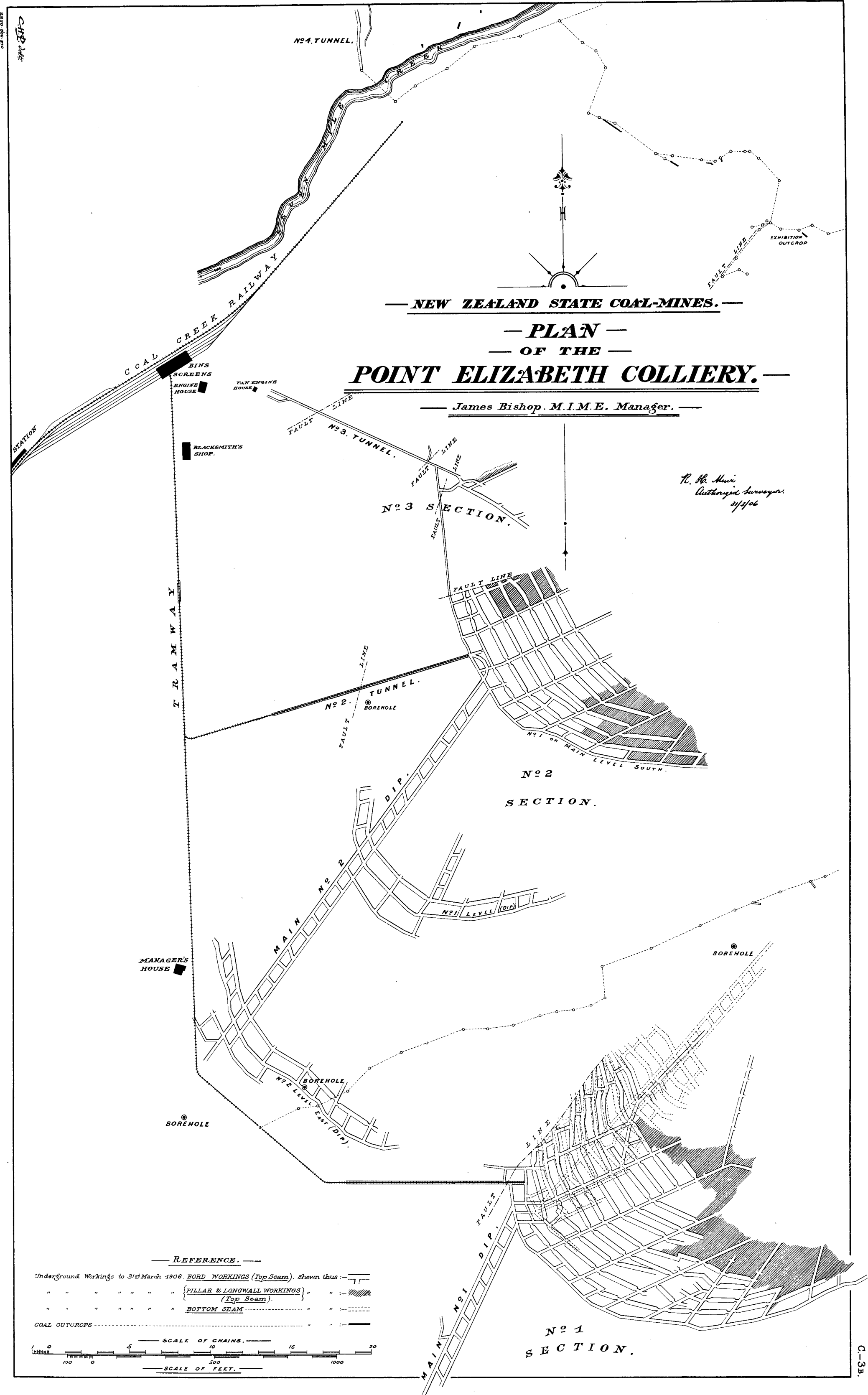
— **Thomas Murray. Manager.** —

R. H. Muir
Authorized Surveyor.
21/3/06



REFERENCE

Underground Workings to 31st March 1905	shown thus:—
" " " 31st March 1906	" " " " " " " "
Coal Outcrops	" " " " " " " "



— NEW ZEALAND STATE COAL-MINES. —
— PLAN —
— OF THE —
POINT ELIZABETH COLLIERY. —

— James Bishop. M.I.M.E. Manager. —

R. H. Muir
Authorized Surveyor.
2/1/06

— REFERENCE. —
Underground Workings to 31st March 1906. BORD WORKINGS (Top Seam). Shewn thus: —
" " " " " {PILLAR & LONGWALL WORKINGS} " " —
" " " " " (Top Seam). " " —
" " " " " BOTTOM SEAM " " —
COAL OUTCROPS " " —

