

Accidents.—There have been several minor accidents during the year, and I regret to report that one which was at first considered a minor accident proved fatal. The accident referred to was caused through the late R. J. Meade slipping on a flat-sheet outside the mine, whilst attending to a boiler used for heating the water for the bath-house at the No. 1 mine.

JAMES MINE.

Underground Development.—The main haulage-drive has now been driven a distance of 29 chains. The first 15 chains were driven in stone, and at this distance borehole No. 15 was intersected, likewise the seam, the latter being only 3 ft. thick, as boring had already proved. From the latter point onward the main haulage-drive has been driven a distance of 14 chains in part stone and part coal. In driving the latter distance the seam has been variable both in thickness and quality, and in no case could be classed as marketable coal.

In addition to driving the main haulage-drive, two level places are being driven in the direction of Kane's workings. The first level was started off the haulage-road near borehole 15, and the second level off the haulage-road midway between bores 15 and 16. The seam in both these levels has also been variable in quality and thickness. It is, however, pleasing to report that the seam in the main heading and also in the second level is improving both in thickness and quality.

Surface Works.—During the year the following work has been completed on the surface: The erecting of the coal tipping and screening plant, together with the engine for driving the same; the installation of an electrically driven Sirocco fan; the laying-down of the concrete foundations for the unscreened portion of the bins; the erection of an additional boiler; and the clearing of sites for change and bath house, and storage magazine for explosives. In addition to the work referred to, two men have been employed for several months at the Point Elizabeth workshops repairing mine-tubs for this colliery.

Employees and Expenditure.—The average number of persons employed in and about the colliery during the year was thirty. The expenditure incurred during the year was £17,365 9s. 5d.; this, together with the amount previously expended, brings the total amount expended in connection with the opening-up of this colliery to £37,809 6s. 5d.

Accidents.—A few minor accidents have occurred, and it is pleasing to report there have not been any of a serious nature.

Sawmill.—The mine sawmill, which was situated at Dunollie for many years, has been dismantled and re-erected at Runanga. The sawmill is now centrally situated for the supplying of timber to the James and Liverpool Collieries.

MACDONALD MINE.

Operations for the past year have included the extension of the main heading, laying foundations for the screening plant, completion of workshop and store, additions and alterations to two cottages on the property, and the planting of 31,000 trees suitable for mining-timber.

Main Heading.—This heading was extended 390 ft. during the year, the total length now being 520 ft. The strata driven through from the commencement consisted of clean fireclay with thin veins of coal. This heading is now stopped, and is within 110 ft. of a borehole where the seam was proved to be 13 ft. 5 in. in thickness. From this point onwards the seam has been proved to be continuous for a mile with no evidence of disturbance.

Plant, &c.—The workshop and store have been completed, and equipped with sufficient suitable plant to meet present requirements. Other plant delivered at the mine includes a large stock of rails, flat-sheets, and mine-tub wheels. Foundations containing 70 cubic yards of concrete for the screen buildings have also been laid.

Tree-plantation.—Two areas containing 34 acres were cleared and fenced, and the greater portion planted in trees suitable for mining-timber. The plants consisted of 8,000 *Eucalyptus saligna* and 23,000 *Pinus radiata*. The season proved a very favourable one, and the bulk of the trees are growing satisfactorily.

Employees.—During the early part of the year there were, on an average, nine men regularly employed, but during the latter part the number was reduced to four, and operations were then confined to driving the main heading.

GENERAL.

Reviewing the work for the year, it will be seen there is a decided decrease in output, also in the number of days worked as compared with the previous year. The reduction of working-time has always a serious effect not only on the output but on the general average cost of production, for it must be noted that the maintenance of the mines must be attended to whether working or not.

A new industrial agreement was entered into on the 3rd March, 1922, with a currency of nearly three years, and I am indebted to you for the valuable assistance rendered in connection with the drawing-up of the same.

In conclusion I wish to say that all the officers have performed their duties in a satisfactory manner; and the Consulting Engineer, also the Director of Geological Survey, has rendered valuable assistance in the various developments connected with the mines.

I have, &c.

I. A. JAMES,

General Manager.

The Under-Secretary, Mines Department, Wellington.