

*Payments.*—The total payments made in connection with coal-winning for wages, stores, mine-timber, and compensation amounted to £72,596 18s. 11d., a decrease of £3,128 14s. 3d. compared with the previous year. In addition to the amount expended on coal-winning, £2,465 6s. 11d. was expended on development work, which included the following: (a) Construction of an iron bridge, 630 ft. long, across the Seven-mile Creek; (b) the erecting of an endless-rope-haulage engine, together with the housing of same; (c) the building of a four-stall stable and feed-house in concrete; (d) the building of a large shelter-shed near the middle brake.

*Coal-hewers' Average Daily Earnings.*—The coal-hewers' average daily earnings (gross) were £1 5s. 10d., and after making deductions for stores (explosives) the net return was £1 3s. 5d., a reduction of 6·8d. per day compared with the previous year.

*Daily Output.*—The average daily mine-output was 555 tons 2 cwt., an increase of 12 tons 5 cwt. over the previous year. The coal-hewers' average daily output works out to 5 tons 15 cwt., a decrease of approximately 15 cwt. compared with the figures for the previous year.

*Days worked by Coal-hewers.*—The total number of days that could have been worked by coal-hewers was 24,598½; the number worked was 18,606½, and the number lost, including those lost through sickness, was 5,991½. Included in the latter are 1,046 days that were lost owing to the miners refusing to work on back Saturdays. The loss in output during the year through strikes, delays to shipping, and the miners refusing to work on back Saturdays may be estimated at approximately 40,000 tons.

*Deficiencies.*—The total amount paid under the minimum-wage clause during the year was £1,236 3s. 3d. This works out to the cost of 2·77d. per ton.

*Underground Workings.*—During the early part of the year the bulk of the output was obtained from the working of pillar coal at the Nos. 1, 3, and 3, Extended mines, but during the latter part of the year approximately one-third was obtained from solid workings from the No. 2 mine.

*No. 1 Mine.*—At this mine two seams, known as the Top and the Morgan, are being worked from under a very high ridge. The Top seam outcrops on each side of the ridge, and the stratum overlying varies in thickness from 200 ft. to 300 ft. As the pillars are being extracted in a downward direction, the overlying stratum, which is a very strong post of sandstone, causes a crush occasionally over some of the pillars, thus making it difficult to maintain roadways. In the other mines where pillars are being extracted no difficulty of any note has been experienced.

*No. 2 Mine.*—At this mine three seams, known as the Anderson, Kimbell, and Morgan, are being worked, and it is pleasing to report they are opening out well. At the present time there are thirty pairs of miners employed at this mine in what are known as "winning-places." These winning-places are driven not more than from 10 ft. to 12 ft. wide and about 8 ft. high. As this mine has every prospect of a great future, it is the management's intention of working it on what is known as the panel system—the area of the proposed panels being about 8 acres. A plan of the proposed method of working has been prepared, but this, of course, will be subject to alteration from time to time owing to the variation in the strike of the seams.

*Development Work.*—The principal work carried out under this head was as follows:—

- (a.) The construction of a bridge, 630 ft. in length and 70 ft. high, in the centre over the Seven-mile Creek, near the middle brake.
- (b.) The erecting of an endless-rope steam-haulage plant, together with the housing of same.
- (c.) The building of a five-stall stable and feed-house in concrete near the No. 2 mine.
- (d.) The erecting of a large shelter-shed near the middle brake.
- (e.) Laying down concrete foundations preparatory to rebuilding the lower viaduct on the main haulage-road.

In reference to the bridge herein referred to, this was erected for the purpose of replacing a temporary one, also to make a level haulage-road between the middle brake and the No. 2 mine. This bridge is constructed of 93-lb.-per-yard tramway-rails, resting on concrete piers, and braced together with 40-lb.-per-yard rails. In constructing the bridge considerable difficulties had to be overcome, such as the confining the course of the Seven-mile Creek with concrete retaining-walls (which creek is sometimes subject to very heavy floods), and such as the building of concrete piers in difficult ground for the bridge standards to rest on, also the maintaining of the output from the No. 2 mine over the temporary bridge whilst the new one was being erected.

A permanent endless-rope steam-haulage plant, together with a substantial engine-house, was erected at the middle brake to replace a small electrically driven one which had been temporarily erected near the entrance to the No. 2 mine. This plant was put into commission a few months ago, and is working very satisfactorily.

At the junction of the main haulage-roads and the No. 2 mine haulage-road, at the middle brake, a shelter-shed measuring over 200 ft. in length by 24 ft. wide has been erected. This shed has open sides, and the roof is supported by iron standards which rest on concrete blocks. A five-stall stable and feed-house, measuring 40 ft. by 30 ft., was built near the entrance to the No. 2 mine. The walls of this building, together with the floor (excepting where the horses stand in the stalls), were built in concrete; the floor of the stalls is laid with wood.

*Viaduct.*—The lower viaduct on the main haulage-road at this colliery, which is constructed entirely of wood, is reaching the stage when it will have to be rebuilt. As timber does not last very long, it has been decided to replace it with an iron one, built of 93-lb.-per-yard tramway-rails resting on concrete foundations. With this end in view the concrete foundations have been laid, and the rails for the structure have also arrived. The work of rebuilding the viaduct will be undertaken at an early date, and pushed on with all possible haste.

*Ventilating-fan.*—Owing to the present fan at the No. 2 mine not being large enough to meet future requirements, it has been found necessary to install the large fan recently operating at the No. 1 mine. To enable this to be done the No. 3 Extended mine fan had to be transferred and erected at the No. 1 mine, and the fan from the latter was dismantled and brought down to the No. 2 mine. The large fan is partly erected, and should be put into commission about the middle of next month.

*Tree-planting.*—In my last annual report it was stated that an area of approximately 45 acres on the State Coal Reserve had been planted in trees, also that arrangements were being made to