

Employees.—In connection with coal-winning, the average number of persons employed was 64, made up as follows:—Underground: Coal-hewers, 28; deputies, shiftmen, and truckers, 17. On the surface: 16 men and 3 boys. In addition to those employed under the head of "Coal-winning," there were, on an average, 9 men employed on development work, making a total for the colliery of 70 men and 3 boys.

Payments.—The total payments made in connection with coal-winning for wages, stores, mine-timber, and compensation amounted to £17,450 12s. 10d., a decrease of £2,917 6s. 5d. compared with the previous year. In addition to the amount expended on coal-winning, £2,409 1s. 11d. was expended on development work.

Coal-hewers' Average Daily Earnings.—The coal-hewers' average daily earning (gross) was £1 9s. 5.25d., and after making deduction for stores (explosives) the net return was £1 2s. 1.71d. The net return is practically the same as in the previous year.

Days worked by Coal-hewers.—The total number of days that could have been worked by coal-hewers was 6,316; the days worked were 5,315, and the number lost through sickness and various causes was 820.

Daily Output.—The average daily mine-output was 128 tons 18 cwt., and the daily average output per coal-hewer was 5 tons 0.85 cwt.

Deficiencies.—The total amount paid under the minimum-wage clause during the year was £239 17s. 9d. This works out to the cost of 2.15d. per ton.

Underground Development.—The output during the year was obtained from workings in course of being opened in the main dip section, also in the east and west level sections. In the former section the seam was fairly uniform both in grade and thickness, the coal won therefrom being of good quality. In the development of the workings in the east level section the seam was far from uniform both in grade and thickness. The variation was due chiefly to the encountering of stone rolls in the form of irregular mounds. At the present time a dip heading is being driven from the east level, together with places worked right and left off the heading. The places to the right will eventually connect with the workings in the main dip section, and those on the left with places that are now in course of being driven from the No. 2 east level at the face of the main heading. The workings in the west level opened up well for a time, but three of the places, including the main level, are stopped at a roll, the latter pinching the seam to an unworkable thickness. In close proximity to the places stopped three others are being worked, and there is every indication that the roll will be worked round without going to the expense of crossing it.

Main Heading.—In my last annual report reference was made to this heading encountering a stone roll which completely pinched out the seam, also that the same had been partly crossed. During the year the heading was extended a distance of 6 chains, 4 of which had to be driven practically through stone before coal of a workable thickness was reached. The face of the heading is temporarily stopped in good coal, pending a connection being made for a return airway. Near the face of the heading two levels have been driven on the seam, and from these a heading parallel with the main one is now in course of construction for a return airway.

Surface Works.—The whole of the plant and machinery in and about the mine has been maintained in good order, and during the year the following additional plant was erected: An elevating plant was erected for the purpose of elevating the small coal from the bin to a height of 40 ft., also a revolving screen for the extraction of nuts from the small. It was also necessary to partition a part of the bin into compartments for the storage of nuts and slack. To deal with the surplus slack, a pipe-line for water had to be laid to sluice it on to a dump.

Boring.—With the object of ascertaining whether workable seams exist at a reasonable depth below the present one being worked, a borehole is now in course of being drilled in close proximity to borehole No. 1 on the banks of James Creek. At the time of reporting, boring has been carried on to a depth of over 500 ft. without passing through any seams of coal.

GENERAL.

Reviewing the work for the year, it will be seen there is a decrease in output, and in the number of days worked, at both collieries, when 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 has to be attended to whether full time or otherwise is worked. The average daily output per coal-hewer at the Liverpool Colliery is less by 15 cwt. compared with the previous year; this is due to a large number of men now being employed in solid working at the No. 2 mine. At the James Colliery the average daily output per coal-hewer shows an increase of nearly $1\frac{1}{2}$ tons compared with the previous year.

Accompanying are copies of the working-plans of the Liverpool and James Mine workings.

In conclusion, I wish to state that all the officers in all branches have performed their duties in a satisfactory manner. I am also indebted to yourself for valuable assistance rendered in connection with several matters concerning the mines.

I have, &c.,

I. A. JAMES, Superintendent.

The Under-Secretary, Mines Department, Wellington.