Coal-hewers' Average Daily Earnings.—The coal-hewers' average daily earnings (gross) were £1 11s. 11d., and, after making deductions for stores (explosives), the net return was £1 8s. 11d., an increase of 9d. per day when compared with the figures for the previous year.

Daily Output.—The average daily mine output was 744 tons 4 cwt., and the coal-hewers' average daily output 7 tons 13 cwt., as compared with 735 tons 9 cwt. and 6 tons 19 cwt. respectively for the previous year.

Accidents.—During the year there were several minor accidents, but none of a serious nature.

The total payments made under the provisions of the Workers' Compensation Act amounted to £3,032 10s. 10d., as compared with £3,117 7s. for the previous year. On the output produced this works out to a cost of 7.76d. per ton.

Underground Workings.—The output during the year was obtained from coal produced from the extraction of pillars, also from workings in the course of being developed. The proportion of the places worked was 60 per cent. in pillars, and 40 per cent. in developing-places.

Development Work.—This consisted of extending workings to the dip and rise in the Anderson section. The extending of workings to the rise in the No. 8 bank, Kimbell east section, also the extending of workings to the rise in the No. 3 bank west and No. 4 bank east in the Morgan Seam.

The Anderson dip heading continues to be extended in coal of excellent quality and thickness, and from this heading levels are being driven right and left. There is every possibility of a reasonably workable area to the dip in this locality, and with this object in view arrangements are being made to construct a new haulage heading. The gradient in the proposed new heading will not be as steep as in the present one, and there are also better facilities for making a landing at the top to enable a larger output to be dealt with.

The seam worked to the rise in this section is not of as good a quality as in the dip workings, it

being soft and friable and accompanied with a bad roof.

In the Kimbell east section development work is confined to the extending of rise workings in a block about 6 chains in width. The seam in this section varies from 4 ft. to 9 ft. in thickness, while the coal is of fairly good quality, with a hard sandstone roof. Development work in the No. 4 bank east of the Morgan Seam is practically completed, but the workings in the No. 3 bank west require to be extended a further 6 chains before the barrier between the Nos. 1 and 2 Mines is reached.

Pillar-extraction.—Work in connection with the extraction of pillars continues to be carried out in a satisfactory manner. In the Morgan Seam, where pillars are being extracted, there is an excellent roof, and consequently it enables practically the complete extraction of all pillars to be made.

In the Kimbell Seam conditions are not quite so good, the result being that a fair percentage of

coal is lost, due, chiefly, to bad roof conditions and steep gradients.

Heating.—In November last incipient heating was noticed in the goaf of the No. 3 bank west section in the Kimbell Seam. As it was impossible to get near the seat of heating, a line of temporary stoppings, consisting of double boards with brattice-cloth between them, was erected to seal off the

A line of concrete stoppings was also built on the outby side of the temporary ones, thus ensuring that the area was effectively sealed off.

In one of the stoppings there is a pipe, the inby end of which is in the heated area, and at the outby end there is a valve which can be opened from time to time to enable samples to be taken for analysis.

Stone-dusting.—Work under this head has been regularly carried out, and during the year 45 tons of stone dust was used. The number of samples analysed from the various zones at this colliery was 474. In addition to the latter, 156 samples were analysed from co-operative mines.

Plant and Machinery.—The whole of the plant, machinery, and buildings in and about the mine have been maintained in good order and condition. During the year a good deal of repair work was carried out to the superstructure of the storage-bins, upwards of £1,000 being spent on this work. As a result of the extensive repairs carried out to the storage-bins during the last two years, the building is now practically as good as new.

The only new building erected during the year was an office built of concrete near the entrance to the No. 2 Mine, replacing one that was completely destroyed through a slip off the hillside.

Considerable damage was done to the tracks and the banks of the Seven Mile Creek due to flooding during the month of December. A portion of the track between the Rewanui Station and the gorge tunnel for a distance of approximately 2 chains was completely washed away, necessitating the damaged part being bridged. The right-hand bank of the Seven Mile Creek, below where the middle brake power-house is situated, was also washed away for several chains by flooding. A considerable amount of work has been carried out to prevent further encroachment.

Exploratory Work.—The work done in this connection during the year on the State Coal Reserve

between the Nine Mile and Ten Mile Creeks was comprised of the following:-

(a) The drilling of five holes by means of the diamond drilling-plant, the total depth drilled being 1,475 ft.

(b) The cutting of tracks for the transporting of the drilling-plant. This work, together with that of transporting the plant, was costly, owing to the surface being thickly wooded and in many places precipitous.

(c) The cutting and levelling of survey lines, together with the surface examination of exposed

(d) The constructing of a new track for travelling purposes along the banks of the Nine Mile Creek, extending from the main highway to as far as Kiwi Creek junction, also the erecting of a new camp near the track terminus.