accounted for as follows: $2\frac{1}{2}$ days, union meetings; 2 days, funerals of ex employees; $5\frac{1}{3}$ days, disputes; $\frac{5}{3}$ day, mine declared wet; $1\frac{3}{3}$ days, extra Christmas holidays; $\frac{1}{2}$ day, breakdown of bus; $\frac{1}{4}$ day, election; $3\frac{1}{3}$ days, floods.

 $Employees. \\ -- In connection with coal-winning, the average number of men employed in and about the mine were 93 men 5 boys, made up as follows--- Underground: hewers, 20; deputies, shiftmen, and truckers, 38. On the surface: 35 men and 5 boys. Total, 98.$

Coal-hewers' Daily Average Earnings.—The coal-hewers' daily earnings were (gross) \$\pmu 3\$ 18s. 8d. After deduction of expenses their net return was \$\pmu 3\$ 13s. 6d., a net increase of 10s. 9d. per day when compared with the previous year.

Daily Output.—The average daily output was 148 tons 14 cwt. 3 qr. and the average daily output per coal-hewer was 8 tons 17 cwt., compared with 153 tons 7 cwt. and 8 tons 14 cwt. respectively for the previous year.

Accidents.—During the year there were numerous minor accidents. A large proportion of these were bruises and cuts and several cases of strains.

Workings.—Development continued to the south-west by a pair of headings off the main heading which was abandoned about three years ago when, after driving for upwards of 4 chains in a diminishing seam finally less than 4 ft., it was decided to concentrate on another area.

The extension of this development was continued with encouraging results, with places later extending beyond and in front of the original heading face, where it was found the seam had thickened to upwards of 7 ft.

The general conditions also had shown a decided improvement, with fairly good roof and good-quality coal, and on driving back to intersect the main heading face it was found that thin coal only extended about a chain beyond the point at which development previously ceased.

This section has proved equal to the best so far met in the mine, and it is unfortunate that the area is limited to a block 10 chains in width between two parallel faults, but from the point now reached it should be possible to extend beyond the workings of the Old Egmont Co., of which favourable reports are on record.

The output from the number of miners engaged has been very satisfactory, although the operation of single-man places, even after the seam thickened, together with the use of pneumatic drills throughout, has assisted in the improved returns.

Pillaring, with satisfactory results and high extraction percentage, was carried out in the North-west Panel, but during the waning stages floor heave, excessive when wet conditions existed, created added maintenance of roadways, and during the recovery of the lower strip of the barrier pillar in retreating, similar difficulties existed.

The reconditioning of the lower section of the main heading where thin coal was passed through formerly is being undertaken to establish a straight haulage road direct to the main section being developed. The original drive over this section had been closed by floor heave and roof falls.

Maintenance of roadways and air-courses, mainly through excessive floor heave, has been a major problem, and this work has been carried on almost continuously.

The mine generally is a difficult one to operate, and although face conditions in some sections are ideal but with limited extent, the yielding floor and high percentage of wet time involved creates considerable maintenance costs, while the number of men engaged on this work, together with those on surface and ropeway handling, is very high when compared with those on actual production in the mine.

Prospecting with five bores (each of which struck the coal and furnished data relating to apparent faulting adjacent to Outcrop Creek, on the Heao Gorge escarpment) was carried out; but, with improved results from underground development, the proposed change has been shelved meantime, as the cost of a new portal with surface arrangements would involve a large capital outlay.