Deficiencies.—There were no payments made under the minimum-wage clause during the year.

Accidents.—No serious accidents were reported at the Garvey Creek Colliery during the year.

Stone-dusting.—This work was carried out regularly in the dry portions of the mine.

Development.—Three prospecting levels 60 ft. apart vertically are being driven to the north-west and south-east respectively to prove the quality, thickness, and continuity of the coal-seam.

North-west Side: Over the mine entrance the seam is 50 ft. from hanging wall to foot wall with two stone bands totalling 2 ft. 4 in. in thickness. The coal is hard and of excellent quality. At a distance of 4½ chains from the outcrop the bottom level, and subsequently the levels above, encountered a zone in which numerous stone bands in the seam made mining extremely difficult. These bands are not regular, and occur in the form of lenses and/or bands running with or across the seam without regularity. Prospecting was continued in this zone in both stone and coal until at approximately 6½ chains from the portal the bands thinned and cut out. The three drives on this side of the mine are now in good coal. This zone of stone bands, proved by underground prospecting, ties in with a similar belt on the outcrop situated more or less vertically above the drives. However, in no portion of the exposed outcrop has the seam been reduced to an unworkable thickness. These lower prospecting levels are now 9½ chains from the outcrop and will be continued to the Morrison Creek outcrops 30 chains from Garvey Creek.

Preparatory to the finalizing of the method of extraction, either vertical rises or inclines at 45 degrees are risen between levels for ventilation and the conveyance of coal to the haulage level. Crosscuts from wall to wall are driven when required to prove the thickness of the seam and thickness and locality of stone bands, &c.

South-east Side: On this side the seam is 55 ft. from wall to wall, with a stone parting 8 ft. to 10 ft. in thickness approximately in the centre of the seam.

Two levels, one along each wall, were commenced on this side, but at $4\frac{1}{2}$ chains the hanging-wall level was stopped owing to the convergence of the walls.

The foot-wall level was continued to $5\frac{1}{2}$ chains, at which point it was stopped owing to the continued convergence of the walls reducing the thickness of the seam to less than 1 ft.

A drive put in 66 ft. above did not encounter the pinch until the face had passed No. 1 drive, and apparently the pinching of the seam is inclined to the horizontal at approximately 30 degrees back from the outcrop.

Recent prospecting has located sharp reverse folding, followed by faulting, ahead of these works, and consequently it is not anticipated the mine on this side of Garvey Creek will be extensive. Driving will be continued to prove the location of the faulting underground and the extent of the seam in this direction.

Quality of Coal.—Although the quality of the coal won is excellent, the hardness varies considerably and at times the proportion of small coal produced is considerable.

Power.—The development of the mine is seriously handicapped by a shortage of material and labour holding up the construction of a power line (seven miles in length) from the Power Board's terminus at Black's Point to the mine.

Diesel-driven compressors are being used in the meantime for the provision of power underground and small petrol-driven units for surface fans, &c.