

The coal from this mine has been of a good marketable character, and while it maintains its quality very little difficulty will be experienced in disposing of it. There was a considerable increase in the output as against last year. This, however, is partly due to the strikes at Newcastle and Point Elizabeth Mine, from which most of the small coal for shipping is usually supplied, and to some extent what has been Point Elizabeth's loss has been Seddonville's gain.

The briquette-works were closed down for about nine months, in the first instance on account of alterations, and thereafter owing to the coal strike, as all small coal could be more profitably disposed of through other channels. Briquettes and eggettes are gaining in public favour, no doubt on account of its being recognised that they are a most economical and useful fuel.

I would like to point out that of the total quantity of coal procured from both mines 117,000 tons of steam and small was sold to consumers other than the Railways, that department taking 38,741 tons of screened coal, 30,533 tons of unscreened, and 588 tons of screened nuts, but no small coal: also that the sales to shipping and other consumers are at the f.o.b. rate, while in all cases the sales to the Railways include the cost of sea-carriage to the port of delivery.

It might be as well to note that the very large amount of £63,530 3s. 6d. was paid for steamer-freights.

The Wellington, Christchurch, Dunedin, and Wanganui depots are all increasing their sales, and there is no doubt that when the advantage derived by the general public is recognised this means of disposal will amply justify their establishment.

Work at the mines has been fairly regular, taking all circumstances into consideration.

The railway and development-work at Point Elizabeth No. 2 Mine is being rapidly pushed on, and it is hoped that coal will be produced very shortly. This mine should not only produce enough to make good any shortage in No. 1, but materially add to the output from Point Elizabeth, thereby overcoming the present difficulty in meeting demands for coal from this district.

The officers and men connected with the various branches have all worked energetically and well for the furtherance of the industry.

All the ways and working-plants in and about the mines are being maintained in good repair.

Attached are the separate reports of the Managers at Point Elizabeth and Seddonville, giving the necessary detailed information.

In conclusion it may not be out of place to add a word of warning to those whom it most concerns, that the success of an undertaking such as this is dependent not only upon the industry of those who are employed, but also the price paid. In other words, if the cost of winning and handling the coal increases, it will be necessary to take into consideration the raising of the selling-price.

I have, &c.,

W. C. GASQUOINE,

General Manager.

The Under-Secretary, Mines Department. Wellington.

MR. JAMES BISHOP, Manager of the Point Elizabeth State Coal-mine, to the UNDER-SECRETARY OF MINES. Wellington.

SIR,—

Greymouth, 4th July, 1910.

I have the honour to submit my annual report on the Point Elizabeth State Collieries for the year ending 31st March last.

NO. 1 COLLIERY, UNDERGROUND DEVELOPMENTS.

No new developments have taken place during the year. The workings have been carried on in the dip areas of both sections of the colliery, and at present have reached the point where the coal has almost become too thin for profitable mining. A large part of the output is being obtained from pillar-workings. The dip headings have in both sections reached the fault which crosses the dip, and has been proved to displace the seam extensively, and in consequence of this and of increased water it will not be profitable to extend the headings to the small area of coal on the dip side of this fault.

COAL-WINNING.

The No. 1 section produced 114,355 tons 16 cwt., and No. 2 section 100,853 tons 10 cwt., making a gross total of 215,809 tons 6 cwt., from which has to be deducted the quantity used on works, and waste, which left 207,449 tons available for market, a considerable decrease on the quantity raised last year.

The mine worked on 242 days 1 hour. Union holidays accounted for 41 days 4 hours, lost time by bar-blocks 5 days 5 hours, strike of miners 15 days 2 hours, lost time due to accidents 7 days 5 hours, cavilling 5 hours, and stoppage of machinery 2 hours. The average time per week works out to 4.65 days, the daily average output to 891 tons 6 cwt.

The gross total output from the colliery since coal was put on the market, June, 1904, to 31st March, 1910, is 1,100,142 tons 16 cwt.

SURFACE WORKS.

The plant, machinery, and buildings have been maintained in good and efficient working-order. In consequence of increased pumping-power being required, a new air-compressor and two additional pumps have been added to the plant.