The disposal, inclusive of stock on hand at the beginning of the year, was as follows: Supplied to—Depots, 37,487 tons; railways, 31,412 tons; other Government Departments, 4,751 tons; shipping 5,896 tons; gasworks, 62,027 tons; other consumers, 6,405 tons: total, 147,978 tons.

The total sales of State coal from the Liverpool Mine for the year amounted to 116,215 tons, value £127,839,* as compared with 99,328 tons, value £110,744,* for the previous year—an increase of 16,887 tons, with an increase in value of £17,095.

The average price realized by the mine on the total sales for the year was £1 2s. 0d.,* a decrease of 3·6d. on the previous year's average.

The total sales of State coal from the James Mine for the year amounted to 31,763 tons, value £38,766,* as compared with 28,965 tons, value £34,885,* for the previous year—an increase of 2,798 tons, with an increase in value of £3,881.

The average price realized by the mine on the total sales for the year was £1 4s. 4·9d.* per ton, an increase of 3·8d. on the previous year's average.

The sales of coal, &c., through the medium of the depots totalled 105,601 tons, value £158,648,* as against 93,074 tons, value £140,586,* for the previous year.

ITEMS FROM ANNUAL ACCOUNTS AND BALANCE-SHEET.

The following details extracted from the audited accounts will enable honourable members to appraise the financial position of the Department's trading venture:—

	£
The payments for interest totalled	3,777
The cost of sea carriage of coal amounted to	37,027
The cost of railway haulage amounted to	28,772
The total wages paid for coal-winning were	79,672
The cost of management and office salaries (Head Office and mines) totalled	3,803
The gross capital expenditure on the whole undertaking to the 31st March, 1936, was	686,931
The total depreciation written off to 31st March, 1936 (equal to 77·2 per cent. of the gross capital expenditure) amounted to	530,505
The amount written off for depreciation for the year was	9,826
The present book value of permanent or fixed assets is	156,426
The loan capital as at 31st March, 1936, stood at	87,243
The net profits of the State Coal-mines Account from inception to 31st March, 1936, after charging the special depreciation of Colliery Development Accounts and after crediting interest on Sinking Fund investments, were	192,380
The net profit for the year ended 31st March, 1936, was	10,182
The Sinking Fund as at 31st March, 1936, was in credit	8,821
The amount taken out of the Sinking Fund during the year and applied in reduction of loan capital was	8,590
Redemption of loan capital out of general funds during the year amounted to	10,000
General Reserve as at 31st March, 1936, stood at	182,195
The amount at credit of Profit and Loss as at 31st March, 1936, was	1,363
The cash in hand and in the Public Account as at 31st March, 1936, was (last year £8,273)	12,311

DEVELOPMENT OF NEW AREA.

A careful investigation of the probable life of the James Mine was carried out during the year, and it was disclosed that, if continuity in the supply of household coal is to be maintained, an immediate commencement must be made with the opening-up of a new area.

Before deciding on a scheme it was necessary to put down an additional deep bore with a diamond drill in the Nine-mile Area. This bore has recently been completed, and confirmed the existence of two seams of excellent coal.

Preliminary roading work is now in hand, and a sum of £25,000 has been provided on the estimates to enable the new development to be pushed ahead.

It is expected that the whole cost of the new work will be met from reserves held in the State Coal-mines Account.

* These values include sales made c.i.f. and f.o.b. as well as f.o.r.