

A 4-in. diameter earthenware pipe-line 7 chains in length and a 3-in. diameter cast-iron pipe 4 chains in length were laid to replace two galvanized pipe-lines which would not withstand the corrosive action of the water. An electrically driven single-stage Rees Roturbo pump was installed in the new dip section to supplement the Deeming pump which was not adequate to cope with the extra water during wet weather. A Sirocco propellor fan 30 in. in diameter and driven by an oil-engine has been installed at the prospecting drive in Cannell Creek section.

EXPLORATORY WORK.

Nine-mile and Ten-mile Area.—In my previous report reference was made to the suspension of operations in connection with drilling on the reserve between Kiwi and the Ten-mile Creeks. During the latter part of the year work on this part of the reserve was resumed. The drilling plant, which had been left at bore 13, has been transported over very rugged country, and a commencement made with the drilling of bore 14. Many difficulties have been encountered in connection with the drilling of this hole, and in consequence of which progress has been very much retarded.

Surveys.—Various trial lines have been cut, surveyed, and levelled in connection with the preliminary investigations for the opening-up of the coalfield between Kiwi and the Ten-mile Creeks. The trial lines cut are as follows: (a) Line for an aerial ropeway from the colliery sidings at Rapahoe to the Nine-mile Creek; (b) line for extension of railway from Rapahoe to the Nine-mile Creek; (c) line for surface tramway from the storage-bin at Rapahoe to Rocky Creek, also for a branch railway along the banks of Rocky Creek; (d) line for surface tramway from the mine outlet at Cannell Creek to the Nine-mile Creek; (e) line for haulage road down the Nine-mile Creek.

This work is not yet completed, pending adjustments and the taking of further cross-sections.

In addition to the amount expended on coal-winning, £1,404 5s. 2d. was expended on work in connection with drilling, prospecting, and surveying.

GENERAL.

It is pleasing to report that the output and days worked at both collieries, together with the daily output per coal-hewer and their average daily earnings, show a decided increase when compared with the figures of last year.

The output at the Liverpool Colliery was increased by over 19,000 tons and at the James Colliery by nearly 8,000 tons.

The increase in the number of working-days at the Liverpool Colliery was 34½, and 51½ at the James Colliery.

The coal-hewers' average daily output at the Liverpool Colliery shows an increase from 7 tons 17 cwt. to 8 tons 3 cwt., and at the James Colliery from 6 tons 16 cwt. to 7 tons 2 cwt. The coal-hewers' average daily earnings (net) show an increase of 2s. 1½d. at the Liverpool Colliery and 2s. 5d. at the James Colliery. This increase to a large extent is attributed to the various rates being increased by 5 per cent. as from May of last year.

In conclusion, permit me to say that the officers in all branches have performed their duties in a most satisfactory manner, and I am also indebted to yourself for valuable assistance rendered in connection with several matters concerning the mines.

I. A. JAMES, Superintendent.