Store. -- A concrete store, 40 ft. by 22 ft., has been built adjacent to the workshop.

Ventilation.—It is proposed to transfer the Sirocco fan at present in use at the James Mine to the Extended Mine. The return airway will be 15.75 chains in length, approximately 11 ft. in width and 7 ft. in height, and will be connected to the surface by means of a concrete-lined shaft 15 ft. in depth.

Coal-cutting Machine.—Owing to the undulating nature of the coal-seam, full mechanization of the colliery is not considered practicable, but it is proposed to use coal-cutting machines. An order has been placed for one 15-horse-power coal-cutter, which is driven by compressed air and will either side-cut or hole to a depth of 6 ft.

Electric Lamps.—As gas was met with in the driving of the tunnels, safety-cap lamps have been

ordered for use in the colliery.

It is expected that the coal-scam will be cut during September of the present year, and that the whole of the work, with the exception of the erection of the screening-plant, will be completed before March, 1939.

Employees.—During the year there were 117 persons on an average employed in and about the mine (part time) made up as follows: Boring, 4; access road, 1: surveying, 2; construction of new buildings, 12; assembling plant, 6 men and 2 boys; development-work, 87; miscellaneous labourers, 3.

Accidents.—I regret to state that an unfortunate accident occurred on the 6th January, 1938, on the access road to the new colliery, whereby a workman received injuries which subsequently proved fatal

Expenditure.—Up to 31st March, 1937, the expenditure was £17,862 6s. 5d. During the year the expenditure amounted to £60,493 2s. 11d., bringing the total expenditure to date to £78,355 9s. 4d.

General.—It is pleasing to report that the output and the days worked at both collieries, and the average daily earnings, show a decided increase when compared with the figures of last year. During the year various increases in rates of pay were granted.

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

C. J. STRONGMAN, Superintendent.