Expenditure.—The total expenditure in connection with coal-winning for wages, stores, mine timber, and compensation, together with subsidies on railway tickets and cost of fuel used on works, amounted to £106,117 2s. 3d., as compared with £108,208 2s. 2d., for the previous year.

Coal-hewers' Average Daily Earnings.—The coal-hewers' average daily earnings (gross) were £2 0s. 1d. per day, and after deducting stores (explosives) their net return was £1 16s. 11d., an increase of 8d. per day when compared with the figures for last year.

Daily Output.—The average daily mine output was 675 tons 18 cwt. and the coal-hewers' average daily output was 8 tons, as compared with 687 tons 15 cwt. and 7 tons 17 cwt. respectively for the previous year.

Deficiencies.—The total amount paid under the minimum-wage clause was £43 16s. 8d.

Accidents.—In addition to numerous accidents of a minor nature, three fatal and two serious accidents occurred in the Liverpool Colliery:—

Fatal Accidents-

- On 5th May, 1938, a miner was struck on the head by a jig prop, the injuries proving fatal on the following day.
- On 20th May a miner employed in the Liverpool Colliery strained himself by slipping on a flat-sheet. He died on 21st July as a direct result of acute nephritis contracted following an operation for a direct inguinal hernia.
- On 20th September a trucker was struck by a fall of coal, his spine being fractured. His injuries proved fatal on 19th December, 1938.

Serious Accidents-

- On the 16th November, 1938, a collier was struck by a fall of coal, fracturing his arm and ribs.
- On 24th March, 1939, a miner, received a depressed fracture of the skull and serious scalp wounds as a result of a fall of coal in the Liverpool Colliery.

The total payments under the Workers' Compensation Act amounted to £5,087 2s. 9d. On the output produced, this works out to a cost of 8.94d. per ton.

Outbreak of Fire.—Fire broke out in the No. 1 Morgan east section on 15th August, 1938. The area was sealed off with concrete stoppings.

Mine-workings: Developments.—Anderson Dip Section: No. 2 dip was driven a distance of approximately 10 chains on a gradient of 1 in 2. Two levels were broken away in an easterly and a westerly direction. The coal is of good quality, 10 ft. to 12 ft. in thickness. Roof conditions are adverse in the main dip, but improve in the levels. An increase in the quantity of water in the dip has been experienced, and it will shortly be necessary to provide extra power for pumping purposes.

Kimbell East Level, No. 8 Bank: This level, which has been standing for a period of three years, has been cleaned up and retimbered, and driven for a distance of 3 chains in coal 5 ft. in thickness. A false roof 10 in. thick has been taken down and stowed. A companion level will shortly be started for prospecting purposes.

Kimbell West Dip: Levels to the east have been driven approximately 7 chains in good coal. Steeply inclined headings to the rise are being driven.

Cross-cut No. 3 Morgan West: A pair of headings have been driven a distance of 7 chains in good quality of coal, the gradient being 1 in 2. For ventilation purposes a holing was made to the No. 3 section, Morgan west. Another pair of headings are to be driven 5 chains outbye of the crosscut headings to form a panel. The coal in this area, as proved by a borehole, is 20 ft. in thickness. Owing to the steep gradients this area has not previously been worked. During the year the greater portion of the output was won from pillar-extraction in the Morgan and Kimbell seams.

No. 2 Bank, Morgan East is being reroaded for further pillar-extraction and to provide places for those lost by fire in the No. 1 bank, Morgan east.

Stoppings.—A barrier, the entire width of the Morgan workings, has been completed with wooden stoppings as a precaution against fire outbreaks. Adjacent to the fire area, No. 1 bank, Morgan east, concrete stoppings have been erected to efficiently seal off the fire area. In addition, thirty-five wooden stoppings and seven concrete stoppings have been erected to form a panel. A second line of retreat consists of twenty-eight wooden stoppings.

Repairs.—All necessary repairs to timber, roadways, &c., have been carried out, and the mine is generally in good order.

Future Developments.—It is proposed to extend the dip workings in the Morgan and Kimbell seams. The necessary plant, &c., for this work has been placed on order.

Stone-dusting.—Work under this heading has been continued. The total number of samples taken from the Liverpool Colliery was 573. In addition, seventy-five samples from co-operative mines were analysed.

Plant and Machinery.—The whole of the plant, machinery, and buildings has been maintained in good order. New ropes have been put on the hoist and main haulage roads.

Air-pipes.—A line of 6 in.-compressed-air pipes has been laid to the Kimbell Junction, and a 4 in. line to the Morgan Junction in preparation for driving the dip workings.

Viaduct.—The subsidence mentioned in my last annual report still continues, and it has been found necessary to constantly reline the viaduct throughout the year. It has not yet been considered necessary to suspend the viaduct from ropes, but this project is still being kept in view.