Deficiencies.—No payments were made under the minimum-wage clause.

Coal-hewers' Average Daily Earnings.—The coal-hewers' average daily earnings (gross) were £3 4s. 5d., and after deducting stores (explosives) their net return was £2 18s. 11d., an increase of 1s. 4d. per day when compared with the previous year.

Accidents.—One serious accident and several minor accidents occurred during the year under review.

Serious Accidents.—On the 1st October, 1946, a miner suffered a fractured pelvis by falling coal.

Stone-dusting.—This work was done regularly throughout the year.

Underground Workings.—No. 1 Mine: Pillar-extraction was carried out from the Dip Section, the Crosscut Section, and No. 1 Section. The average thickness of the seam in the Dip and Crosscut Sections is 17 ft., and in No. 1 Section it is 10 ft. There is only a small quantity of coal remaining to be extracted from the Dip and Crosscut Sections.

No. 3 Mine: Development and solid workings only were driven at this mine.

No. 6 Section: The development of this section was stopped because most of the working-places encountered faults, and it was decided to transfer the remaining miners to sections lower down the mine. The average thickness of the seam is 28 ft.

No. 8 Section: The main level after having been driven 2.5 chains struck an upthrow fault cutting across the working-face at 45 degrees, and a place was turned away to follow the direction of the fault. Twelve pillars have been formed in the section, and development work is being continued. The average thickness of the seam is 28 ft.

Main Dip: The driving of the main dip was continued in stone and the coal-seam was reached on the south side of the 33 ft. downthrow fault. At this point, 40 chains from the mine mouth, a laybye was formed as the terminus of the main direct rope haulage.

No. 9 Section: The direction and amount of the dip of the seam altered beyond the last downthrow fault met with in the main dip, and from the end of the terminus laybye a subsidiary dip was set away in coal to develop No. 9 Section. This dip has been driven 5 chains and it is within 2 chains of the boundary between the Star and Wairaki Mines. At this point the bottom 6 ft. of the seam has become very stony, but the remaining 18 ft. is of good quality, as proved by a borehole. Development work is being continued.

No. 10 Section: This section was turned away to the rise side of No. 9 Section. The level had been driven only 2.5 chains when it struck a downthrow fault running at an angle of 45 degrees across the face. A place was turned away to follow the direction of this fault. Three rise headings are now being driven parallel to the Ohai-Nightcaps Road barrier. The average thickness of the seam is 26 ft.

Plant.—The sirocco fan was transferred from the No. 1 Mine to No. 3 Mine and is running satisfactorily. A new elevator belt replaced the one worn out on the screens.

Fire Stoppings.—All fire stoppings have been maintained in good order.

Dangerous Heatings.—No heatings occurred during the year.

I have, &c.,

J. McArthur, District Manager.