

1937.
VICTORIA

ANNUAL REPORT

OF

THE GENERAL MANAGER OF THE STATE COAL MINE,

INCLUDING

THE STATE COAL MINE BALANCE-SHEET, AND STATEMENT
OF ACCOUNTS DULY AUDITED, ETC.,

FOR THE

YEAR 1936-37.

PRESENTED TO BOTH HOUSES OF PARLIAMENT IN PURSUANCE OF SECTION 93 OF THE COAL MINES
REGULATION ACT 1928.

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STATE COAL MINE, WONTHAGGI.

State Coal Mine,
Wonthaggi,
3rd August, 1937.

GENTLEMEN,

I have the honour to submit my Annual Report, together with the Balance-sheet and Statement of Accounts, covering the operations of the State Coal Mine at Wonthaggi, for the year ended 30th June, 1937.

FINANCIAL.

The financial result of the operations of the Mine was as follows :—

	£	s.	d.	£	s.	d.
Revenue				159,587	4	11
Working Expenses (including coal purchased) ..	278,145	19	6			
Interest on Capital	1,541	7	4			
				279,687	6	10
Deficit, exclusive of depreciation of assets ..				120,100	1	11
Depreciation of assets	10,000	0	0			
Loan redemption	8,458	12	8			
				18,458	12	8
Loss for year 1936-37 after providing for Loan redemption and making the necessary allowance for depreciation				138,558	14	7

The financial position of the Mine, as at 30th June, 1937, may be summarized as follows :—

<i>Assets.</i>				£	£
Depreciation Fund—Government Stock and Cash at Treasury				111,513	
Cash and Securities held as deposits on contracts				1,051	
Stores on hand at book values				32,933	
Coal on hand				1,142	
Sundry Debtors				20,566	
Works, machinery, and plant at book values				191,637	
					358,842
<i>Liabilities.</i>					
Capital—Balance of Loan Liability				30,075	
Due to Treasury for Stores Advance				29,384	
Sundry Creditors				4,773	
Due to Consolidated Revenue in respect of losses on working			£ 509,180		
Less amount of State Mine income appropriated to Consolidated Revenue in 1929-30			50,000		
				459,180	
				523,412	
Deficiency					164,570

With the exception of the item "Works, Machinery, and Plant," the assets may be regarded as practically liquid. Sold as a going concern, the value of the fixed assets of the property would exceed the book value of £191,637.

The book value of the fixed assets is arrived at as follows :—

	£
Original Capital Expenditure (see Capital Account, page 12) ..	249,398
Expenditure from Depreciation Fund	702,818
	952,216
Amount written off for depreciation of assets	760,579
	191,637
Book value of fixed assets at 30th June, 1937	

DEPRECIATION.

Including depreciation allowed for in the accounts for the financial year 1936-37 (£10,000), ample allowance has been made for the whole of the depreciation which has accrued up to the 30th June, 1937.

SINKING FUND.

The Loan Liability of £38,534 2s. 5d. has been reduced to £30,075 9s. 9d. by the provision in the accounts in the year under review of an amount of £8,458 12s. 8d.

DISPOSITION OF OUTPUT.

The quantity of coal "braced" during the year was 247,450 tons 12 cwt. 2 qrs. The saleable output, exclusive of local consumption, miners' household coal, allowances and waste was 226,453 tons 18 cwt. 1 qr.

The periodical consignments were as follow :—

	tons.	cwt.	qrs.
1936—			
25th June to 22nd July	24,171	11	1
23rd July to 19th August	27,463	2	2
20th August to 16th September	26,815	7	0
17th September to 14th October	22,176	16	0
15th October to 11th November	28,371	16	1
12th November to 3rd December	29,692	12	3
4th December to 6th January, 1937	13,903	13	2
1937—			
7th January to 3rd February	25,711	7	1
4th February to 3rd March	8,112	5	2
4th March to 31st March	4,836	15	2
1st April to 28th April .. .. .	..	
1st May to 29th May	2,013	19	1
30th May to 26th June	13,184	11	2
	226,453	18	1

The coal was disposed of in the following grades :—

	tons	cwt.	qrs.
Screened	130,834	14	2
Run-of-Mine	2,433	16	2
Slack	93,185	7	1
	226,453	18	1

and sales were made as under :—

	Screened.			Run-of-Mine.			Slack.			Total.		
	tons	cwt.	qrs.	tons	cwt.	qrs.	tons	cwt.	qrs.	tons	cwt.	qrs.
Sold to Railway Department	119,675	11	1	..	..	..	70,823	2	3	190,498	14	0
Sold to Public Departments	3,303	2	3	..	..	..	1,975	12	0	5,278	14	3
Sold to General Public	7,856	0	2	2,433	16	2	20,386	12	2	30,676	9	2
	130,834	14	2	2,433	16	2	93,185	7	1	226,453	18	1

For the purpose of maintaining a continuity of supplies to certain customers, 4,056 tons of coal were purchased during the cessation of operations between 10th March, 1937, and 15th May, 1937.

LABOUR.

Wages, piecework rates and conditions of employment are governed by awards of the State Coal Mine Industrial Tribunal which was established on 19th June, 1932, Act No. 4030.

Fourteen awards issued during the year included the following :—

1. Award No. 30 of 6th August, 1936, had the effect of increasing the basic wage of 12s. per day for employees working on a basis of twelve shifts per fortnight to 12s. 6d. per day, and of increasing the basic wage of 13s. 1d. per day for employees working on the basis of less than twelve shifts per fortnight to 13s. 8d. per day. Proportionate increases were also provided for under this award for apprentices, boys, and youths.
2. By Award No. 31, existing contract rates were increased by 5 per cent.
3. Award No. 34 provided increased penalty rates for overtime, Sunday and holiday work, wet pay, &c.
4. Under the provisions of Award No. 36 substantial increases were provided for in the payment for crossing faults.
5. Award No. 37 made provision that "From the time safety lamp conditions of working are first applied in any mine in the State Coal Mine field, and pending inquiry as to the adequacy of the existing contract rates under such conditions and/or further award of this Tribunal, such contract rates shall be suspended in any mine working under such conditions, and meantime, in lieu thereof, coal miners in any such mine shall be paid at the prescribed miner's shiftwork rate, including 7½ per cent. additional for afternoon and night shift for all work in the bord (including working through faults). On the understanding that the coal miners have undertaken to fill clean coal as far as reasonably practicable, the provisions of the award and of the Agreement dated 6th March, 1916, relating to dirt fines shall also be suspended in any such mine while contract rates are suspended."
6. Awards Nos. 38 and 39 prescribed increased margins for certain grades of employees included in Part 2 of the Schedule to the Act.
7. Awards Nos. 40 and 41 prescribed rates of pay for the new grades of Shotfirer and Lamp Attendant respectively.

As compared with the financial year 1935-36, the additional expenditure involved in the year under review of awards of the State Coal Mine Industrial Tribunal (exclusive of Award No. 37) was £11,660, or for a full year £14,832. Concurrently with the operation of Award No. 37, the method of mining known as "grunching" was abolished by the order of the District Inspector, who directed that in all pits other than Western Area the coal must be holed to a depth greater than the depth of the shot-hole. The cumulative effect of the suspension of contract rates and the order of the Inspector is estimated to have cost £10,000 between 17th May, 1937, and the end of the financial year.

Up to the date on which the explosion (subsequently referred to herein) occurred, viz., 15th February, 1937, the time lost as the result of stopwork meetings and the like was—

No. 20 Shaft	11½ days.
No. 18 Shaft	9 days.
Dudley Area	8½ days.
Western Area... .. .	4½ days.

Subsequent to the disaster, the time lost at No. 18 Shaft, Dudley Area, and Western Area was 57 days, and at No. 20 Shaft (where rehabilitation work only was being carried out until the general resumption of operations on 17th May, 1937) the time lost was 40 days. In the previous financial year the time lost from all causes was 26 days.

Following upon a decision to install safety lamps in all pits, with the exception of Western Area, contract rates were suspended, as indicated above by Award No. 37, and work was resumed on 17th May, 1937, on the following terms :—

1. The parties agree that pending the enactment by the Victorian Parliament of legislation amending the *Coal Mines Regulation Act 1928*, the provisions of the *New South Wales Coal Mines Regulation Act* with regard to—
 - (a) the introduction of safety lamps ;
 - (b) conditions relating to their use ;
 - (c) provisions relating to shot firing,
 shall apply to the State Coal Mine at Wonthaggi.
2. The Commissioners and the General Manager undertake to act according to the instructions of the Inspector of Mines in the matter of grunching pending any appeal by them to a Court to be created when required similar to the Court of Coal Mines Regulation under the *New South Wales Act*.

Before the resumption of work the District Inspector of Mines instructed the management to comply with the provisions of paragraph 22 of the Fifth Schedule of the New South Wales Coal Mines Regulation Act which provides that the coal shall be holed to a depth greater than the depth of the shot-hole. In accordance with the terms of resumption these instructions were carried out.

Subsequent to the close of the period covered by this Report, arrangements were made by the Government for an investigation by a special tribunal for the purpose of determining the methods of mining that should be adopted. As a result of this investigation, "grunching" was reverted to in the Dudley Area pit.

At No. 18 Shaft pit it was agreed that a shot shall not be fired in the coal unless the coal is holed to a greater depth than the depth of the shot-hole, except where a fault or two tight ends occur in the place, when a shot may be fired in the coal provided there is a free end of a depth greater than the depth of the shot-hole.

At No. 20 Shaft it was decided that a shot shall not be fired in the coal unless the coal is holed to a depth greater than the depth of the shot-hole or the bord has one free end.

As a result of the suspension of contract rates and the abolition of grunching, the output per miner per shift declined by upwards of 40 per cent., and the cost of production increased alarmingly.

The net average earnings, per shift, of contract miners up to and inclusive of 13th February, 1937, after deducting the cost of explosives, were 21s. 4.53d.

The minimum daily wage of adult employees below ground is now 16s. 3d. per shift.

At the 30th June, 1937, the number of persons employed was 1,140; at a similar date last year the number was 1,150.

BORING.

Two drills were in operation throughout the year. For part of the year, both drills were engaged in boring more closely the Kirrak Area. Subsequently No. 1 Drill was used for exploratory boring of an area east of the No. 18 Shaft workings, and the No. 2 Drill was similarly employed in testing an area east of the Western Area.

Later the No. 2 Drill was transferred to the Northern Area, and was engaged in both exploratory and closer boring.

In all 26 bores were sunk and one was deepened. Total boring amounted to 18,071 feet.

Gross Tonnage of Coal Reserves in the State Mine Area:—

	Tons.
Estimated Annual Report 1935-36	10,614,000
Extracted during the year	247,450
Add for loss in working	54,550
	302,000
Estimated gross tonnage, State Mine Area	10,312,000

EASTERN AREA.

The only section of this pit at present in operation is the No. 18 Shaft Section. It continues to be much interrupted by the dislocation of the coal seam and by "want" faults. The districts in which operations are proceeding are No. 1 South; No. 1 South Main Heading; No. 3 South; No. 2 East; No. 3 East, and No. 2 North. The No. 1 East Section and the No. 2 North Dip Section have been abandoned.

The output from this pit from the commencement of the financial year to 17th May, 1937, when contract rates were suspended and grunching was abolished, was 520 tons per day. It is now 320 tons per day.

DUDLEY AREA.

In this pit the coal measures are nearing exhaustion. The output from the commencement of the financial year to 17th May, 1937, was 190 tons per day. It is now 110 tons per day.

NORTHERN AREA.

In the top seam the coal measures in the No. 1 North District will become exhausted within the next twelve months.

The workings in the No. 2 North District are approaching a downthrow fault of 26 feet.

In the East District the seam is thinning out, and the method of working has been changed from bord and pillar to longwall.

In the bottom seam, a 35-ft. upthrow fault has been struck, and this is now being negotiated. Meanwhile the output from the bottom seam is being obtained from the South-east Heading.

From the commencement of the financial year to 17th May, 1937, the output from this pit was 680 tons per day. It is now 280 tons per day.

WESTERN AREA.

The development of this area was commenced in August, 1935. From an analysis of the boring results, it was estimated that the thickness of the coal seam was 36 inches. The results of actual operations to date indicate that it would be unwise to rely on this estimate. The average thickness of the seam, as disclosed by actual operation, is 31 inches, but this contains a dirt band of 5 inches, leaving the actual thickness of the coal seam only 26 inches. It is anticipated that the seam will thicken as the workings advance, but it is not considered that it will average more than 30 inches of coal.

The present output from the Western Area is 110 tons per day, but as development proceeds, this should increase during the ensuing year to 150 tons per day.

DEVELOPMENT.

In my previous report I recommended the immediate development of the Kirrak Area in order that the desired output of 500,000 tons per annum could be regained.

In April the Government approved of the development of this area, and active steps were taken to proceed with the work on 15th May. The works at present in progress include the construction of the vehicular road; the erection of transmission lines; surface buildings and pithead gear. Shaft sinking operations will commence in October next.

The Kirrak Area is situated to the north-east of the No. 18 Shaft workings, from which it is separated by a 100-ft. downthrow fault. The area consists of some 956 acres, containing an estimated total quantity of extractable coal of 3,366,000 tons. The boring discloses that the seam varies in thickness but may be regarded as of an average thickness of 34 inches. The depth of the seam from the surface varies from 960 to 1,200 feet, and at the site of the proposed drawing shaft the depth is 1,120 feet. From data obtainable from the boring, and from experience of the State Mine seam, the usual faulting may be expected.

STONE DUSTING.

Prior to the explosion on 15th February, 1937 (except in the mines or districts which are naturally wet), the floor, roof, and sides of every haulage road and intake airway were treated with incombustible dust in such manner and at such intervals as would ensure that the dust should always consist throughout of a mixture containing not more than 50 per cent. combustible matter.

Additional treatment by stone-dusting now provides that the floor, roof, and sides of every road or part of a road which is accessible, shall be treated with incombustible dust in such manner, and at such intervals, as will ensure that the dust on the floor, roof, and sides respectively shall always consist throughout of a mixture containing not more than 40 per cent. of combustible matter.

For the purpose of testing the composition of the dust mixture, representative samples are collected as often as may be necessary, but not less frequently than once a month, and are tested in the Mine Laboratory by competent persons.

Each sample collected is well mixed, and a portion of the mixture is sieved through a piece of metallic gauze having a mesh of 28 to the linear inch. A weighted quantity of the dust which has passed through the sieve is dried at 212° F., and the weight lost is reckoned as moisture. The sample is then brought to a red heat in an open vessel until it no longer loses weight. The weight lost by incineration is reckoned as combustible matter for purposes of the test.

ELECTRICAL PLANT.

The power station plant has operated satisfactorily.

9,325,390 units were generated during the year, compared with the generation of 9,783,580 units in the previous year.

WORKSHOPS.

The whole of the Workshops plant has been maintained in good order. An additional punching and shearing machine was added to the Workshops equipment. Practically the whole of the repair work has been carried out in our own shops, and, in addition, there were manufactured 300 ball-bearing skips, one 50 h.p. and one 75 h.p. haulage engine, three cages, and the Tiplers and screening plant for the Western Area.

RESCUE STATION.

In my previous report I mentioned that the Rescue Station, which was established in 1928, was "equipped with apparatus and staffed with properly trained men, and maintained in an efficient state ready for any emergency that might arise." Unfortunately this emergency arose at 10 a.m. on 15th February, 1937, when an explosion occurred in the No. 20 shaft pit. I desire to avail myself of this opportunity of placing upon record my appreciation of the efficiency and bravery of the members of the Rescue Brigade under the leadership of Mr. G. Lees, Under-Manager.

The Rescue Brigade at present consists of 21 competent men and 12 partially trained men—the object being to have a brigade of 30 competent men.

Practices are held regularly and the brigade equipment is being kept up to date and in good condition.

No. 20 SHAFT DISASTER.

On 15th February, 1937, at about 10 a.m. an explosion, which was unfortunately attended with fatal results, occurred in the No. 20 Shaft pit.

On this date the mine was idle owing to an industrial dispute, and the only persons at work below ground comprised a maintenance shift of Overmen, Deputies, Pumpers, and Ropemen.

I sincerely regret that the explosion resulted in the loss of 13 lives. The victims were:— Messrs. H. Harper and W. Ridley, Overmen; R. C. Jones, F. Baxter, R. Spiers, A. Brudenell, A. Beveridge, and A. Perry, Deputies; C. Dilger, J. Ferguson, and R. Nelson, Pumpers; and W. Mitchell, and M. Bowman, Ropemen.

In accordance with the provisions of Section 50 of the Coal Mines Regulation Act, a Coroner's Inquest was held. The Inquest was taken and made by Jurors whose verdict was as follows:—

"We find that death was accidentally caused by concussion produced by explosive force, such explosion being caused by contact of a naked light with an accumulation of methane gas propagated by coal dust at No. 20 Shaft of the State Coal Mine, Wonthaggi, on the 15th February, 1937. There is no evidence to show where the explosion started nor by whom the naked light was carried. We also find negligence on the Management's part in not having the Mine inspected in the same manner on that day as for an ordinary working shift."

Subsequently the Government appointed Judge Richardson as a Royal Commissioner to inquire into:—

- (a) Whether any, and what persons, concerned in the management of the State Coal Mine, were negligent in not having the said mine inspected in the same manner on 15th February (the day of the disaster in which 13 lives were lost) as on an ordinary working shift commencing at midnight on Sunday.
- (b) Whether any alterations, and if so what alterations, should be made to existing statutory provisions, rules, regulations, and practices to secure the future safe working of the State Coal Mine.

In respect of the first term of reference Judge Richardson reported:—

"I do not find that any person concerned in the management of the State Coal Mine was negligent in not having the said Mine inspected in the same manner on 15th February, 1937, as on an ordinary working shift commencing at midnight on Sunday."

Authorities are in agreement that explosions and ignitions in coal mines are attributable to the operations of two or more of the following causes acting conjointly:—

- (1) Firedamp;
- (2) Coal dust;
- (3) Coal gas produced by the distillation of coal burning in the mine;
- (4) Fumes or gas caused by the discharge of explosives used;
- (5) The use of the naked light;
- (6) The negligence of a person using the naked light.

The whole of the pits at the State Coal Mine have, from their inception, been worked as naked light mines. A pre-shift inspection is made by competent persons using locked safety lamps, and after such inspection has been made all persons and employees use naked lights below ground. Such was the position on the day of the explosion.

After obtaining all the evidence available and carefully considering same, I am of opinion that an inflow of gas occurred in the No. 7 Level of the No. 2 North Section; that the gas was ignited by a naked light, and that the propagation of the flames caused an explosion of coal dust of considerable violence, but less violent than would have been the case if steps for immunizing the coal dust had not previously been adopted.

GENERAL.

From the Balance-sheet it will be seen that after the payment of working expenses, loan redemption, and interest charges, and after allowing £10,000 for depreciation, the operation of the mine for the financial year ended 30th June, 1937, resulted in a loss of £138,558 14s. 7d.

Not since 1915 have selling prices been as low as they are to-day. On the other hand wages are 55 per cent. higher and freight rates nearly 70 per cent. higher. The mine enjoys no concessions by way of subsidies or bonuses or freightage, and the rates paid by the Railway Department are fixed on a purely commercial basis.

The coal industry is depressed the world over, and in New South Wales this depression is accentuated by cut-throat competition between the different coal interests of that State, and consumers are benefiting by this state of affairs. In the meantime, the State Coal Mine's finances are suffering, and those of the Railways are benefiting.

The Mine was of considerable value and benefit to the community during the stress of the war-time years, and during a prolonged stoppage of operations in the Northern District of New South Wales for a lengthy period in 1929-30.

The late Mr. Robert Lee, A.O.S.M., M.I.M.M., Consulting Mining Engineer of New Zealand, who was appointed by the Government to conduct a special investigation into the mine in 1934, "estimated on a conservative basis," that the saving to the State and to the general public by the State Coal Mine from 1916-17 to 1920-21 was "more than £516,500."

Mr. Lee also found that the ability of the mine to supply such a large part of Victoria's coal requirements has a stabilizing effect upon the New South Wales price, which price, in turn, controls the "equated" price paid by the Railway Department for the State Mine coal used by it. Thus the saving to the Department by the use of State Mine coal is considerable.

The foregoing is written to support my view that the results of the operation of the State Coal Mine since its inception cannot be judged solely upon the Balance-sheet, which does not reflect the value of the mine to the community, which value has literally and in fact been enormous.

The Balance-sheet and Statement of Accounts for the year, and a general comparative statement of the results of the working of the Mine, since its inception, are embodied in Appendices Nos. 1 and 2 attached.

I have the honour to be,

Sirs,

Your obedient servant,

J. McLEISH,

General Manager.

The Victorian Railways Commissioners,
Melbourne.

APPENDIX No. 1.

STATE COAL MINE, WONTHAGGI.
BALANCE-SHEET AS AT 30TH JUNE, 1937.

LIABILITIES.		ASSETS.	
£	s. d.	£	s. d.
Treasurer of Victoria—		Works, Machinery, and Plant as per Balance-sheet	
For Loans	250,000 0 0	at 30th June, 1936	165,538 12 10
Less redeemed from Sinking Fund	219,924 10 3	Expended during current year	36,098 10 8
	<u>30,075 9 9</u>		
For Advances from Consolidated Revenue (to be		Less Depreciation written off.. .. .	201,637 3 6
recouped) .. .. .	.. .. .		10,000 0 0
For Advances for purchase of Stores .. .. .	.. .. .	Stores on hand .. .. .	.. .. .
Sundry Creditors—		Coal on hand .. .. .	.. .. .
On Stores Accounts	3,518 17 6	Sundry Debtors—	
Sundries	1,223 19 2	For Coal	3,174 4 2
	<u>4,742 16 8</u>	For Sundries	17,392 0 7
Sinking Fund—		Cash	576 12 2
Balance at 30th June, 1936	211,465 17 7	Deposits held on Contracts	474 11 10
Contribution 1936-37	8,458 12 8		
	<u>219,924 10 3</u>	Depreciation Fund—	
Reconciliation—		Government Stock at Cost	110,000 0 0
Advances from Consolidated Revenue as per		Cash	1,513 5 11
Treasury Accounts at 30th June, 1937	509,163 4 2	Profit and Loss—	
Add Net total of accounts in course at 30th		Balance at 30th June, 1936	300,958 15 9
June, 1937	16 18 8	Less interest earned in Depre-	
	<u>509,180 2 10</u>	ciation Fund Investments,	
		1936-37	5,023 3 4
		Loss for current year	295,935 12 5
			138,558 14 7
		Balance on Profit and Loss at 30th June, 1937	484,494 7 0
	<u>793,336 14 8</u>		<u>793,336 14 8</u>

L. J. WILLIAMSON,
Comptroller of Accounts.
6th October, 1937.

J. A. NORRIS,
Auditor-General.
8th October, 1937.

J. McLEISH,
General Manager, State Coal Mine.
27th September, 1937.

APPENDIX No. 1—continued.

STATE COAL MINE, WONTHAGGI.

WORKING ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 1937.

1937.		1937.		1937.	
June 30.		£	s. d.	June 30.	
To Working Expenses, including Salaries of £300 and over..	..	274,183	13 11	..	..
Owners' Contribution to Accident Fund ..	..	485	15 9	..	..
Coal Purchased .. .. .	..	3,476	9 10	..	..
		278,145	19 6	..	..
				By Sale of Coal ..	..
				Sundry Receipts ..	..
				Balance carried to Profit and Loss	..
				£	s. d.
				..	148,149 9 6
				..	11,437 15 5
				159,587	4 11
				..	118,558 14 7
				278,145	19 6

PROFIT AND LOSS ACCOUNT FOR THE YEAR 1936-37.

1937.		1937.		1937.	
June 30.		£	s. d.	June 30.	
To Balance transferred from Working Account ..	..	118,558	14 7	..	..
Sinking Fund .. .. .	..	8,458	12 8	..	..
Interest on Loans .. .. .	..	1,541	7 4	..	..
Depreciation for the year .. .. .	..	10,000	0 0	..	..
		138,558	14 7	..	..
				By Balance (Loss for year)	..
				£	s. d.
				..	138,558 14 7

L. J. WILLIAMSON,

Comptroller of Accounts.

6th October, 1937.

J. A. NORRIS,

Auditor-General.

8th October, 1937.

J. McLEISH,

General Manager, State Coal Mine.

27th September, 1937.

APPENDIX . O. 1—*continued.*

STATE COAL MINE, WONTHAGGI.

CAPITAL ACCOUNT.

Statement showing Receipts and Expenditure on Capital Account from the commencement of the Mine to 30th June, 1937.

RECEIPTS.		EXPENDITURE.	
	£	s.	d.
Stock issued under the provisions of Act 2630	..	*150,000	0 0
Stock issued under the provisions of Act 2429	..	†100,000	0 0
		250,000	0 0
Deduct Expenses of Flotation	..	601	8 2
		249,398	11 10
		4,127	9 4
		84,780	7 4
		25,035	18 4
		36,554	2 0
		53,245	16 6
		42,219	10 2
		2,115	16 4
		1,319	11 10
		249,398	11 10

* This amount has been redeemed from Sinking Fund.

† Of this amount £69,924 10s. 3d. has been redeemed from Sinking Fund.

L. J. WILLIAMSON,

Comptroller of Accounts.

6th October, 1937.

J. A. NORRIS,

Auditor-General.

8th October, 1937.

J. McLEISH,

General Manager, State Coal Mine.

27th September, 1937.

APPENDIX NO. 2.

STATE COAL MINE, WONTHAGGI.

GENERAL COMPARATIVE STATEMENT FROM THE COMMENCEMENT OF THE MINE TO THE 30TH JUNE, 1937.

1 Year.	2 Capital Raised. £	3 Capital Expended. £	4 Coal Raised. Tons.	5 Revenue Receipts. (b) £	6 Revenue Expenditure. £	7 Surplus. £	8 Deficit. £	9 Provision Included in Expenditure as per Column 6, for		10 Amount at Credit of Sinking Fund after allowing for interest on investments and for Repayments of Capital. £	11 Wages Paid. £	12 Interest paid on Capital. £	13 Average No. of Employees.	14 Miners, net average earnings per Shift. s. d.	15 Estimated Coal Reserves. Million tons.			
								Depreciation. £	Sinking Fund. £									
1909-10	36,000	35,906	41,274	24,861	46,695	11,307	21,834	..	7,050	37,112	..	900	14 4-00	20				
1910-11	141,000	95,730	396,042	171,766	160,459	11,307	..	7,050	5,745	145,407	2,468	946	13 1-00	20				
1911-12	161,605a	167,701	470,261	198,762	207,579	..	8,817	7,942	10,709	175,274	4,303	1,191	13 8-00	26				
1912-13	203,866	203,956	462,559	213,174	205,980	7,194	..	9,000	25,546	145,419	6,107	939	13 5-51	28				
1913-14	225,141	220,316	510,490	239,298	237,599	1,699	..	9,578	26,953	158,812	6,332	1,011	13 11-49	28				
1914-15	250,000	241,356	567,037	268,105	256,629	11,476	..	10,800	38,535	178,086	8,436	1,130	13 11-64	28				
1915-16	250,000	241,084	452,798	246,000	243,224	2,776	..	10,760	50,490	159,027	8,804	1,015	14 6-16	28				
1916-17	250,000	240,816	372,007	242,918	263,548	..	20,630	..	52,274	197,694	8,803	1,161	16 2-10	19				
1917-18	250,000	240,653	382,867	294,538	289,379	5,159	..	..	54,235	228,506	8,804	1,226	17 7-56	16		
1918-19	250,000	240,239	343,318	285,099	293,510	..	8,411	..	56,446	242,530	8,804	1,255	17 10-01	16				
1919-20	250,000	240,225	424,985	426,405c	405,343	21,062	..	6,236	64,798	322,516	8,804	1,390	20 5-19	15				
1920-21	250,000	240,218	368,239	426,659	423,818	2,841	..	6,236	73,469	319,224	8,804	1,193	24 3-64	15				
1921-22	250,000	240,033	504,165	567,404	549,017	18,387	..	12,472	88,786	420,632	8,804	1,554	26 2-64	18				
1922-23	250,000	240,033	424,126	461,978	467,290	..	5,312	..	92,297	362,464	8,804	1,566	25 7-30	19				
1923-24	250,000	240,033	489,630	559,758	555,303	3,955b	..	6,236	102,350	446,786	8,956	1,596	25 10-20	21				
1924-25	250,000	250,000	405,695	500,232	499,961	268d	..	6,236	112,802	429,254	9,148	1,688	26 11-3	17				
1925-26	250,000	250,000	495,864	540,295	539,754	541e	..	6,236	123,749	474,861	9,667	1,821	27 2-91	16½				
1926-27	250,000	250,000	612,269	687,365	678,591	8,774	..	12,472	141,452	479,195	9,671	1,540	26 6-03	15½				
1927-28	250,000	250,000	596,032	735,750	720,697	15,053	..	..	147,467	490,950	9,674	1,543	27 11-56	16½		
1928-29	250,000	250,000	635,103	812,969	782,394	30,575	..	6,180	..	498,961	3,820	1,615	27 3-75	15½				
1929-30	250,000	250,000	662,159	849,808	773,603	76,205f	..	6,428	..	546,111	3,572	1,776	27 0-73	14½				
1930-31	250,000	250,000	565,444	558,781	580,106	..	21,325	30,000	..	447,551	3,315	1,774	24 9-85	14				
1931-32	250,000	250,000	526,278	421,233	509,347	..	88,114	30,000	..	376,728	3,048	1,668	24 9-98	13½				
1932-33	250,000	250,000	320,675	225,536	315,390	..	89,854	30,000	..	210,857	2,770	1,328g	20 6-00	13				
1933-34	250,000	250,000	316,526	211,339	288,473	..	77,134	10,000	..	204,407	2,480	1,330g	20 9-00	12½				
1934-35	250,000	250,000	384,778	245,556	335,474	..	89,918	10,000	..	246,972	2,180	1,100g	20 5-55	13				
1935-36	250,000	250,000	366,002	231,024	317,906	..	86,882	10,000	..	249,227	1,867	1,150g	21 5-72	10½				
1936-37	250,000	250,000	247,451	164,610	298,146	..	133,536	10,000	..	214,182	1,541	1,140g	21 4-53j	10½				
			12,344,094	10,811,223	11,245,718	217,272	..	760,954	..	176,838	8,408,745	169,786	
						Deficit to date ..	651,767
							651,767

(a) £7,050 repaid from Sinking Fund. (b) Inclusive of a subsidy of £35,625 (of which the sum of £1,040 14s. 0d. was repaid in 1927-28, and the balance in 1928-29) made to the Mine by the Railway Department and exclusive of which there was a loss in working of £31,670. (c) Including £25,382 to adjust short payments to the Mine in former years. (d) Inclusive of a subsidy of £80,000 (of which the sum of £37,367 15s. 10d. was repaid in 1926-27 and the balance in 1927-28) made to the Mine by the Railway Department and exclusive of which there was a loss in working of £79,792, including £37,000 spent towards rehabilitating McBride Tunnel. (e) Inclusive of a subsidy of £25,000 (repaid to the Mine by the Railway Department and exclusive of which there was a loss in working of £24,450). (f) Exclusive of £50,000 appropriated to Consolidated Revenue by Act No. 3838, see Annual Reports 1929-30 and 1932-33. (g) Prior to the 30th June, 1932, the number shown is the average number of employees for the year. Since that date the number given is the number of persons employed on the last day of the financial year. (h) Includes interest earned on Depreciation Fund investments. (i) To 15th May, 1937. (j) Shift rates in lieu of contract rates operative at all pits (excluding Western Area) as from 17th May, 1937, in accordance with State Coal Mine Tribunal Award No. 37.