

1961-62
VICTORIA

ANNUAL REPORT
OF THE GENERAL MANAGER
OF THE
STATE COAL MINES

INCLUDING

THE STATE COAL MINES BALANCE-SHEET AND
STATEMENT OF ACCOUNTS DULY AUDITED, ETC.,
FOR THE YEAR 1960-61

Presented to both Houses of Parliament in pursuance of Section 93 of the Coal Mines Act 1958.

By Authority:

A. C. BROOKS, GOVERNMENT PRINTER, MELBOURNE.

STATE COAL MINES, WONTHAGGI

The Victorian State Coal Mine,
Wonthaggi,
26th September, 1961.

GENTLEMEN,

I have the honour to submit my Report, together with the Balance Sheet, and Statement of Accounts, covering the operations of the State Coal Mines, Wonthaggi, for the year ended 30th. June, 1961.

FINANCIAL.

	£	s.	d.
Revenue	347,405	5	6
Working Expenses	600,846	0	1
Deficit, excluding Depreciation of Assets	253,440	14	7
Depreciation of Assets... ..	25,111	4	3
Loss for year 1960-61, after making the necessary allowance for depreciation	278,551	18	10

This loss compares with a loss of £237,729 0s. 3d. for the year 1959-60.

The Balance Sheet, Statement of Accounts for the year, and general statement of working of the mines since their inception, are embodied in the appendices attached.

DEPRECIATION FUND.

Including an amount of £25,111 4s. 3d. charged in the working account for the year, all depreciation accrued up to 30th June, 1961, has been brought to account.

With the contribution for the year of £23,000 from the working vote, and £2,511 4s. 3d. from interest on the Depreciation Fund investments, full provision has been made in the Fund for the aggregate amount written off the assets up to 30th. June, 1961.

DISPOSITION OF OUTPUT.

The quantity of coal braced during the year was 73,636 tons. After excluding miners' coal, local consumption, allowances and waste, the tonnage disposed of commercially was 55,450 tons 5 cwt. 1 qr., as shown hereunder :—

—	Screened			Unscreened			Slack			Total		
	T.	C.	Q.	T.	C.	Q.	T.	C.	Q.	T.	C.	Q.
Sold to Railways Department	19,287	5	1	1,448	9	2	29,522	18	0	50,258	12	3
Sold to General Public	4,036	11	2	—	—	—	1,155	1	0	5,191	12	2
	23,323	16	3	1,448	9	2	30,677	19	0	55,450	5	1

LABOUR.

I am pleased to report that there were no stoppages throughout the year due to industrial causes. The mines were in production for 232 days.

The number of employees at 30th June, 1961, was :—

Miners	Others	Total
147	207	354

At 30th June, 1960, the number was :—

175	218	393
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There was thus a decrease of 28 miners, and 11 other grades.

Amongst contract miners absenteeism from all causes increased by approximately .65 per cent., being 9.84 per cent. for the year 1960-61, compared with 9.19 per cent. in 1959-60.

The net daily average earnings by contract miners for the year was 99/9.00d. compared with 99/5.05d. per shift for the financial year 1959-60. The average daily wage of other adult employees working underground for the last fortnight of the financial year was 80/1.77d. compared with 80/2.22d. for the corresponding period in the previous year.

Since the granting of Long Service Leave in September, 1951, 241 employees have enjoyed six months leave on full pay.

I am pleased to report that there were no fatal accidents during the year.

INDUSTRIAL.

In rejecting the claim for a 35-hour week within the coal mining industry, the Coal Industry Tribunal recognized the miners' claim for greater leisure hours by awarding an additional five (5) days leave per annum from the commencement of the leave year for 1960. This additional leave, granted to the miners, had the adverse effect on the deficit by the loss of revenue of approximately £7,800.

BORING.

No further boring was carried out during this financial year.

The gross reserves of all pits, together with the unworked areas near Western and Eastern Areas, now stand at 6,560,000 tons, an actual reduction of 82,000 tons compared with the 1959-60 estimate.

NO. 20 SHAFT.

The number of parties, employed in the extraction of Pillars, is five (5).

Operations are being carried out in the Top Seam, and are approaching the shaft pillar which is the termination point of the workings.

WESTERN AREA.

North Section :—Extraction of pillars in the top seam is still progressing.

East Section :—General caving and sanatorium parties are continuing pillar extraction.

West Dip :—Longwall operations are continuing, mainly in the Bottom Seam. It is contemplated that, in the near future, Top Seam operations will be commenced.

KIRRAK AREA.

Extensive faulting continues to impede operations in this area. This restricts the developing of pit-room with the result that, so far, contract mining is confined to ten (10) working places. The tonnage won, in this area, during the financial year was 22,800 tons.

ELECTRICAL PLANT.

The Power Station, and mine electrical plant, has been maintained in good order and efficient working condition.

The units generated during the year were 11,333,680, compared with 11,305,620 in the previous year.

As mentioned in my last report, an investigation was carried out during the year to determine the overall condition of the power station plant, and its economic life. This investigation disclosed that the economic life of the power station is no more than 10 years. The investigation also disclosed that, due to staff retirements within the next two to three years, difficulty will be experienced in carrying out the necessary maintenance.

The State Electricity Commission of Victoria has therefore been approached with the proposition that they take over the power station within the reasonably near future, and that arrangements be made for the Wonthaggi supply to be linked to the Commission's inter-connected system at the appropriate time.

WORKSHOPS.

The Workshops plant has been maintained in good order and condition. The whole of the maintenance work of the power station has been carried out by our own workshops staff, but, due to shortage of tradesmen, it has been necessary to have some of the maintenance work for the pits carried out in the Railway Workshops.

RESCUE STATION.

The Rescue Station has been maintained in an efficient state. Practices have been held throughout the year, and the equipment has been maintained in a satisfactory condition.

With the retirement, on account of ill-health, of the Rescue Brigade Instructor, Mr. W. Dix, the position of Instructor is now administered by Mr. A. Birt.

GENERAL.

The 28% marginal increase, operating for the whole of the financial year, cost the Mines approximately £26,000. This was an additional expenditure of £11,000 over that of the previous year for this marginal increase.

As stated in the Industrial section of this report, an Award was made by Mr. Justice Gallagher granting an additional week's leave to the mining industry. As a result of this Award a further £7,800 was added to the deficit of the mines.

After a lapse of two years, retirement of employees, who reached the age of 60 years, re-commenced in January of this year. Since that date, to June 30th, nineteen (19) employees have retired or resigned.

Conversely, with less employees, contributions by the mines to the Coal Mine Workers' Pension Fund have increased, with the result that the indebtedness to the Fund for the financial year was £41,000. Admittedly, in any case, the Government provides the finance, but it is considered that the heavy commitments of the mines to the Fund place undue costs on the working operations.

No further information is to hand on the move by the New South Wales Minister of Mines, to finance the cost of the Owners' contributions to the various Coal Mine Workers' Pension Funds by a levy on each ton of coal produced. In all probability, it is unlikely that the scheme would include the Victorian State Coal Mines.

Sales to consumers, other than the Railways Department, have practically remained static despite fairly comprehensive advertising. This is due to the intense competition within the fuel industry.

Disposal of burnt shale resulted in a return of £6,276 for the year's operations.

In conclusion, I wish to record my appreciation of the assistance given by yourselves during the year, also the loyalty and co-operation of the Mine Administrative, Clerical, and other officials and staff.

J. BYRNE,
General Manager.

The Victorian Railways Commissioners,
MELBOURNE.

STATE COAL MINES, WONTHAGGI.
BALANCE SHEET AS AT 30th JUNE, 1961.

Liabilities.				Assets.					
				£			£		
				s.	d.	s.	d.	s.	d.
Treasurer of Victoria—									
For Loans provided as under—									
		£	s.	d.	£	s.	d.		
Act 2429 ...	...	100,000	0	0					
Act 2630 ...	...	150,000	0	0					
Act 4670 ...	...	60,000	0	0					
Act 4763 ...	...	44,000	0	0					
		354,000	0	0					
Less redeemed from Sinking Fund ...	...	354,000	0	0					
National Recovery Loan—Unemployment Relief Development Works ...	...				24,500	0	0		
Advances from Public Accounts (Act 6345) for purchase of Stores ...	...				27,031	13	3		
Advances from Consolidated Revenue ...	...				3,937,291	0	9		
Sundry Creditors—									
Stores Accounts ...	...	2,918	5	11					
Trust ...	...	200	0	0					
Sundries ...	...	22,612	11	10	25,730	17	9		
		354,000	0	0	354,000	0	0		
Sinking Fund ...	...				99,666	5	1		
Depreciation Fund Interest Reserve ...	...							
		£4,468,219 16 10							
				Works, Machinery, and Plant, as per Balance					
				£			£		
				s.	d.	s.	d.		
				326,453	4	10			
				10,851	4	9			
				337,304 9 7					
				Less Depreciation written off during the current year...					
				25,111	4	3			
				312,193 5 4					
				3,475 17 1			315,669	2	5
				29,949 12 3					
				4,945 12 1					
				640 16 5					
				7,388 5 5					
				9,049 19 11			16,438	5	4
				4,640 16 2					
				258 15 3					
				1,500 0 0			1,758	15	3
				200 0 0					
				50,000 0 0					
				15,064 10 1			65,064	10	1
				6,828 16 3					
				3,743,531 11 9					
				278,551 18 10					
				4,022,083 10 7					
				£4,468,219 16 10					

A. W. GEUER,
Comptroller of Accounts,
4/10/1961

R. W. GILLARD,
Auditor General,
23/10/1961

J. BYRNE,
General Manager, State Coal Mines.
5/10/1961.

STATE COAL MINES, WONTHAGGI.
WORKING ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1961.

1961	£	s.	d.	1961	£	s.	d.
June 30th. To Working Expenses	600,846	0	1	June 30th. By Sale of Coal	269,075	6	8
				Sundry Receipts	78,329	18	10
				Balance carried to Profit and Loss Account	253,440	14	7
	600,846	0	1		600,846	0	1

N.B.—The Revenue shown in the Working Account above includes proceeds from the sale of coal to the Railways Department at prices determined by that Department.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30th JUNE, 1961.

1961	£	s.	d.	1961.	£	s.	d.
June 30th. To Balance transferred from Working Account	253,440	14	7	June 30th. By Balance (Loss for the year)	278,551	18	10
Depreciation	25,111	4	3				
	278,551	18	10		278,551	18	10

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STATE COAL MINES, WONTHAGGI.

RECONCILIATION AS AT 30th JUNE, 1961, BETWEEN THE ACCUMULATED WORKING LOSS ON THE MINE BASIS, AND THE TOTAL OF THE ADVANCES FROM CONSOLIDATED REVENUE.

	£	s.	d.		£	s.	d.
Accumulated Profit and Loss Account as per Balance Sheet—							
Loss	4,022,083	10	7	Advances from Consolidated Revenue as per Balance Sheet	3,937,291	0	9
Net accumulated profit to 30th June, 1931, not credited to Consolidated Revenue	95,688	18	0	Depreciation charged to Profit and Loss Account, but not charged to Consolidated Revenue	185,570	19	4
Outstanding Debtors at 30th June, 1961 (including Coal, and Cash on hand, and in Transit)	35,075	2	0				
Outstanding Creditors at 30th June, 1961	19,599	18	7				
	15,475	3	5				
<i>Less—</i>							
Outstanding Debtors at 30th June, 1931	11,992	17	5				
Outstanding Creditors at 30th June, 1931	1,607	5	6				
	10,385	11	11				
	5,089	11	6				
	4,122,862	0	1		4,122,862	0	1

GENERAL COMPARATIVE STATEMENT FROM THE COMMENCEMENT OF THE MINE TO THE 30th JUNE, 1961.

1 Year.	2 Capital Raised.	3 Capital Expended.	4 Coal Raised.	5 Revenue Receipts. (h)	6 Revenue Expenditure.	7 Surplus.	8 Deficit.	9 10 Depreciation.		11 Sinking Fund.	12 Wages Paid.	13 Interest Paid on Capital.	14 Average Number of Employees.	15 Miners' Net Average Earnings per Shift.	16 Estimated Coal Reserves.
								Amount Written Off the Value of the Assets and Charged to Profit and Loss.	Net Surplus Profits Interest and Other Contributions to the S.C.M. Depreciation Fund.	Contributions Provided from Working Expenses.					
	£	£	Tons.	£	£	£	£	£	£	£	£	£		s. d.	Million Ton
1909-10 ...	36,000	35,906	41,274	24,861	46,695	...	21,834	...	...	...	37,112	...	900	14 4-00	20
1910-11 ...	141,000	95,730	396,042	171,766	160,459	11,307	...	5,745	8,525	7,050	145,407	2,468	946	13 1-00	20
1911-12 ...	161,605 ^a	167,701	470,261	198,762	207,579	...	8,817	10,709	5,965	7,942	175,274	4,303	1,191	13 8-00	26
1912-13 ...	203,866	203,956	462,559	213,174	205,980	7,194	...	25,546	10,697	9,000	145,419	6,107	939	13 5-51	28
1913-14 ...	225,141	220,316	510,490	239,298	237,599	1,699	...	25,000	26,665	9,578	158,812	6,332	1,011	13 11-49	28
1914-15 ...	250,000	241,356	567,057	268,105	256,629	11,476	...	33,000	47,716	10,800	178,086	8,436	1,130	13 11-64	28
1915-16 ...	250,000	241,084	452,798	246,000	243,224	2,776	...	30,954	34,566	10,760	159,027	8,804	1,015	14 6-16	28
1916-17 ...	250,000	240,816	372,007	242,918	263,548	...	20,630	25,000	5,075	...	197,694	8,803	1,161	16 2-10	19
1917-18 ...	250,000	240,653	382,867	294,538	289,379	5,159	...	25,000	29,317	...	228,506	8,804	1,226	17 7-56	16
1918-19 ...	250,000	240,239	343,318	285,099	293,510	...	8,411	27,000	18,099	177	242,530	8,804	1,255	17 10-01	16
1919-20 ...	250,000	240,225	424,985	426,405 ^c	405,343	21,062	...	30,000	51,738	6,236	322,516	8,804	1,390	20 5-19	15
1920-21 ...	250,000	240,218	368,239	426,659	423,818	2,841	...	32,000	17,810	6,236	319,224	8,804	1,193	24 3-64	15
1921-22 ...	250,000	240,033	504,165	567,404	549,017	18,387	...	36,000	71,650	12,472	420,632	8,804	1,554	26 2-64	18
1922-23 ...	250,000	240,033	424,126	461,978	467,290	...	5,312	30,000	23,516	...	362,464	8,804	1,566	25 7-30	19
1923-24 ...	250,000	240,033	499,010	559,758	555,803	3,955 ^b	...	30,000	34,577	6,236	446,786	8,956	1,596	25 10-20	21
1924-25 ...	250,000	250,000	405,695	500,232	499,964	268 ^d	...	30,000	31,956	6,236	429,254	9,148	1,688	26 11-30	17
1925-26 ...	250,000	250,000	495,864	540,295	539,754	541 ^e	...	34,000	35,585	6,236	474,861	9,667	1,821	27 2-91	16½
1926-27 ...	250,000	250,000	612,269	687,365	678,591	8,774	...	56,000	41,345	12,472	479,195	9,671	1,540	26 6-03	15¾
1927-28 ...	250,000	250,000	596,032	735,750	720,697	15,053	...	55,000	76,221	...	490,950	9,674	1,543	27 11-56	16½
1928-29 ...	250,000	250,000	635,103	812,969	782,394	30,575	...	55,000	49,157	6,180	498,961	3,820	1,615	27 3-75	15½
1929-30 ...	250,000	250,000	662,159	849,808	773,603	76,205 ^f	...	35,000	135,094	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	27,284	6,685	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	5,056	6,952	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	5,425	7,230	210,857	2,770	1,328g	20	6.00	13	
1933-34	...	250,000	250,000	316,526	211,339	288,473	...	77,134	10,000l	5,425	7,520	204,407	2,480	1,330g	20	9.00	12½	
1934-35	...	250,000	250,000	384,778	245,556	335,474	...	89,918	10,000m	5,421	7,820	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	5,409	8,133	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	5,037	8,459	214,182	1,541	1,140g	21	4.53j	10½	
1937-38	...	250,000	250,000	270,575	195,524	349,401	...	153,877	10,000	4,063	8,797	247,034	1,203	1,326g	21	11.65k	9½	
1938-39	...	274,500	273,354	260,831	203,881	328,128	...	124,247	10,000	1,342	9,149	228,354	851	1,317g	22	5.92	9½	
1939-40	...	334,500	298,410	220,587	196,210	282,591	...	86,381	10,000	1	9,515	212,771	485	1,352g	23	2.29	9	
1940-41	...	334,500	323,462	280,570	270,734	392,282	...	121,548	10,000	...	2,615	308,954	105	1,201g	25	10.41	8½	
1941-42	...	378,500	339,663	282,551	343,486	456,744	...	113,258	17,706	5,000	5,706	346,470	2,294	1,129g	29	9.68	6½	
1942-43	...	378,500	344,117	259,592	410,867	487,701	...	76,834	17,706	16,000	4,560	369,205	3,440	1,069g	31	9.90	6½	
1943-44	...	378,500	345,673	234,871	389,806	472,692	...	82,886	20,000	15,316	4,719	347,648	3,281	1,032g	33	1.69	6½	
1944-45	...	378,500	346,110	228,431	395,522	474,119	...	78,597	20,353	20,291	4,884	358,460	3,116	989g	33	10.72	9	
1945-46	...	378,500	346,609	191,880	322,061	417,736	...	95,675	20,517	20,517	5,055	306,433	2,944	871g	34	3.35	9	
1946-47	...	378,500	346,806	161,431	275,472	367,915	...	92,443	20,978	20,978	5,232	277,544	2,768	764g	34	3.54	8½	
1947-48	...	378,500	347,030	165,827	298,871	430,589	...	131,718	21,275	21,275	5,416	332,727	2,584	776g	40	3.77	8½	
1948-49	...	378,500	360,748	140,000	349,418	460,795	...	111,377	21,638	21,638	5,605	351,266	2,395	714g	47	9.22	8½	
1949-50	...	378,500	373,672	128,333	362,856	447,059	...	84,203	16,837	16,837	5,801	334,529	2,199	733g	52	3.86	8½	
1950-51	...	378,500	376,324	121,640	389,128	512,922	...	123,794	16,775	16,775	6,004	385,970	1,996	720g	55	11.71	8½	
1951-52	...	378,500	378,500	132,205	554,221	684,702	...	130,481	21,789	21,789	6,214	534,089	1,786	762g	69	0.10	8	
1952-53	...	378,500	378,500	140,348	749,189	886,473	...	137,284	21,225	21,225	6,432	692,571	1,568	833g	76	1.74	7½	
1953-54	...	378,500	378,500	133,111	752,989	896,828	...	143,839	23,652	23,652	6,657	693,961	1,343	758g	77	2.01	7½	
1954-55	...	378,500	378,500	126,081	750,599	827,148	...	76,549	23,762	23,762	6,890	637,379	1,110	676g	81	7.12	7½	
1955-56	...	378,500	378,500	105,972	592,803	763,187	...	170,384	24,975	24,975	7,131	591,939	869	639g	87	7.53	7	
1956-57	...	378,500	378,500	105,971	509,615	806,844	...	297,229	24,975	24,975	7,381	606,950	619	582g	92	10.65	7	
1957-58	...	378,500	378,500	98,481	463,171	769,210	...	306,039	24,975	24,975	7,639	567,540	361	529g	94	1.14	6½	
1958-59	...	378,500	378,500	89,091	412,871	649,955	...	237,084	24,975	24,975	2,671	475,248	94	411g	93	10.31	6½	
1959-60	...	378,500	378,500	80,969	374,820	610,574	...	235,754	24,975	24,975	...	440,418	...	393g	99	5.05	6½	
1960-61	...	378,500	378,500	73,636	349,916	625,957	...	276,041	25,111	25,111	...	451,334	...	354g	99	9.00	6½	
				16,386,458	20,725,253	24,647,270	217,272	4,139,289	1,235,153	1,234,778	310,911	18,507,539	207,197					
Less Depreciation Fund Interest.				100,066	100,066					
				20,625,187	24,647,270	217,272	4,239,355											
				Deficit to date.	4,022,083	...	4,239,355											
				4,239,355	4,239,355													

(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 £37,267 15s. 10d. was re-paid in 1926-27, and the balance in 1927-28), made to the Mine by the Railways Department and exclusive of which there was a loss in working of £79,732, including £37,000 spent towards rehabilitating McBride Tunnel.

(e) Inclusive of a subsidy of £25,000 (repaid in 1928-29) made to the Mine by the Railway Department and exclusive of which there was a loss in working of £24,459.

(f) Exclusive of £50,000 appropriated to Consolidated Revenue by Act No. 3838, see Annual Report 1929-30.

(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.

(j) To 15th May, 1937. 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.

(k) Contract rates from 25th October, 1937, to 25th June, 1938. Shiftwork rates operative (excluding Western Area) until 24th October, 1937, average net earnings per shift for year, 20s. 9.37d.

(l) Includes £275 depreciation on Stores on hand.

(m) Includes £100 depreciation on Stores on hand.