

"Secondary ventilation introduced into your stopes has not proved adequate."

I must therefore notify you by Virtue of Section 23 of the Mines Regulat:
Act 1945-1951 that your present stoping methods are dangerous or defective,
so as in my opinion to threaten or tend to the bodily injury of persons
employed therein. The nature of such danger or defect is the high dust
content in the air breathed by employees.

I must therefore request that no new stopes be commenced or operated by underhand stoping methods, or that the faces of any new stopes be worked advancing away from the main bench face.

All new stopes must be worked from the respective Levels furthestest from the surface outcrop or bench face and advanced towards the upper level or bench face by such methods as to allow for a free flow of fresh air from the deepest part of the mine to the surface exhaust.

We have two slope preparation workings out at No. 6 level now and the rises at 838 and 846 are being cut to connect with these and this will allow us to comply with Mr. Boyland's request.

We cannot finish the logwall stoping any quicker than we are doing. The faces have now been straightened along the joint planes and drilling will now be done using larger machines and 1 7/8" bits. We shall then be able to determine hole spacing and explosive burden.

BLOODING PRESS. We are carrying sufficient spares to cover all pre-
down.

DIAMOND DRILLING. We advised by telegram that the Drill was still out of commission. The requisite parts arrived here last Thursday afternoon and the final assembly commenced. However, when fitting the compressor on shaft, it was found that it had been incorrectly ground in Perth, and has to be returned for correction. We anticipate that it will be back by Thursday, 2nd August.

We agree that a second drilling rig is required, but we would strongly suggest that it be some other type of machine than the Schram Rig. From all reports, the Ingersoll Rand Drillmaster has been proved efficient.

MARK ONE BIN Further work is being done here on strengthening the bin. Mr. MacLeod considers that the design of the bin was too light in the first instance. However, one large contributing factor to the present situation

is that an access door was cut into the bin, about four strakes from the bottom. This was obviously not strengthened sufficiently and it has caused a slight buckling of the plates. We had previously fitted channel iron and steel bands 1" in diameter around the bin. We have now welded channel iron and S.B.J. more than half way up the bin and are continuing with this work. We are keeping a very close watch on it.

There is a lot of training to do. It is a long time before we can do it again.

LABOUR TURNOVER We note that you consider the labour turnover figures as highly unacceptable. We are at a loss to know what more we can do. We are going ahead with the proposals which you agreed to. Mr. Swan has completed his investigations and submitted his report and we have listed our comments on his findings. Our impression of the reasons for labour turnover were given in our 1964 and those impressions still persist.

Not heard from it.

We are proceeding with renovations to the night shift dormitory and preparing it as a welfare hut. We are improving the appearance of the town by general cleaning and tree planting. The single men accommodation has been improved.

Handwritten note: The holiday flats at Cosack will be completed and ready for occupation by mid August. Sporting amenities are being renovated and active sporting committees are being formed.

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We are offering furnished houses to incoming families at a reasonable rental.

Handwritten note: This is an excellent thing to do.

Labour relations are considered good, and the general impression is that there is no dissatisfaction with working conditions.

MONTHLY COSTS We shall submit these figures by Monday's mail.

RETAIL STOCKS While we agree that the stocks in the Retail Store do appear high at 3 to 4 months sales, we cannot agree that a stock limit of £30,000 is realistic.

Our average cost of goods sold was slightly over £1,000 per week for the last half year, which based on a stock of three months supply (or 13 weeks) would be £13,000. This we feel is the minimum stocks which we should carry, even though we do have a weekly freezer truck from Perth, we have on occasions had to wait over two months for delivery of groceries. In addition, to this, in order to carry a reasonable range of goods in our Hardware, Sawdustshery & Clothing Departments, we find it necessary to carry a stock that is in excess of the three months supply. If we were to carry any less, our range would be cut and people would tend to revert to their old practice of purchasing goods from Perth. As we have now built up our reputation to be able to supply the major of the needs of Wittenoom and the surrounding district, we do not wish to lose sales in these Departments, which carry our highest profit margins.

COMPANY MATTERS - Our 2821. We regret that Mr. Beith's resignation was omitted from our previous letter. It is enclosed herewith.

BANK SIGNATORY. We enclose, in duplicate, a letter to the Bank of New South Wales requesting an alteration to our No. 2 Account Signatories.

If you are agreeable, would you please sign this and forward it to the Bank as soon as possible.

Yours faithfully,

MANAGER.