PLAINTIFF'S EXHIBIT CSR-337

228

PTY. LTD.

AUSTRALIAN BLUE ASBESTOS ~~LIMITED~~

ASBESTOS

"BLUEASBESTOS" WITTENOOM

WITTENOOM GORGE WESTERN AUSTRALIA

The General Manager,
C.S.R. Building Materials Division,
SYDNEY.

PRIVATE BAG,

27th July, 1962.

Dear Sir,

LOCOMOTIVE - Your P701. We shall obtain quotes immediately for a new locomotive.

DEVELOPMENT. We regret that our wording is poor. Development is not being done in a hap-hazard fashion. It is following exactly the schedule laid down in discussion with Mr. Thomas. Comments were made on this progress in the Manager's report for the 4 w.e. 8. 5. 62. and 5. 6. 62. The development list given in the latest report for 4 w.e. 3. 7. 62. will show that development is being concentrated in the smallest practicable area. The present headings being worked are -

No. 7 Drive North
" 71N Chute and Manway Rise Chamber
" 8 Level Ore Pocket
" 8 " Bullock Pocket
" 8 Level Service Rise
" 8 Drive North off No. 3 Adit
" 8 " South " " " "
" 77S and 78S Rises
" 83S Rises
" 5 Adit West off No. 7 Level

In addition to this, 6' x 5' stope preparation drives are being pushed ahead.

No. 7000 W towards 8 Level
" 7000 E " 6000
" 52S Lower Seam Westward
" 51N " " "
" 61S " " "
" 76S Upper " "
" 71S " " "

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We are finishing the development of No. 8 level as fast as possible for Mr. Boyland has issued the following instruction :-

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

I must therefore notify you by Virtue of Section 22 of the Mines Regulation Act 1946-1961 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 understand 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 furtherest 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 stope preparation headings out at No. 8 level now and the rises at 833 and 848 are being cut to connect with these and this will allows us to comply with Mr. Boyland's request.

We cannot finish the longwall 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.

RAGGING PRESS. We are carrying sufficient spares to cover all breakdowns.

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 crank shaft, it was found that it had been incorrectly ground in Perth, and has had to be returned for correction. We antisipate 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.

MAIN ORE BIN. Further work is being done here on strengthening this bin. Mr. Whaland considers that the design of the bin was too light in the first instance. However, one large contributing factor to the present state

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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 R.S.J. more than half way up the bin and are continuing with this work. We are keeping a very close watch on it.

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 P884 and those impressions still persist.

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 mens accommodation has been improved.

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

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

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 STORE. 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 £3,000 per week for the last half year, which based on a stock of three months supply (or 13 we would be £39,000. This we feel is the minimum stocks which we should carry, as 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, Haberdashery and 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 severe cut and people would tend to revert to their old practise of purchasing goods in Perth. As we have now built up our reputation to be able to supply the majority 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.

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COMPANY MATTERS - Our PS91. 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 Bank Signatories.

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

Yours faithfully,

MANAGER.

OAA/WB/MB.

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