C.—2.

Towards the end of the year the demand for "char" for motor-vehicles fitted with producer-gas units increased considerably, and production of this commodity is at present about 200 tons weekly. Owing to the heavy demands by industries for slack and other classes of coal it was necessary to operate the plant with only one carbonizer in operation. Furthermore, it is unlikely that the second carbonizer will be allowed to operate during the present year.

5

For the twelve months ended 31st December, 1941, Smokeless Fuel and Briquettes (Canterbury), Ltd., produced 5,600 tons of briquettes at its works at Sockburn. The production of tar was

30,000 gallons.

SUBSIDY ON COAL-PRODUCTION.

As a result of the national agreement on wages and conditions of coal-miners entered into on 1st May, 1942, the Government decided, pursuant to its policy of stabilization to grant a further subsidy to owners to meet the additional costs involved. This subsidy, which will vary from 1s. to 1s 6d. per ton for major collieries, is being met from the War Expenses Account, as is the original subsidy which was granted for a like purpose in May, 1940. A further small subsidy to cover the increase of $2\frac{1}{2}$ per cent. in sea freights granted by the Price Investigation Tribunal in respect of coal carried in coastal vessels is being paid out of the same account. This subsidy is expected to cost about £12,000 per annum.

COAL-MINES COUNCIL.

The Council made several visits to the coalfields during the year and performed valuable work in adjudicating on industrial disputes, its decisions being loyally accepted by all parties. The advice of the Council was also sought on a number of other issues of importance to the industry.

MINING CONTROL.

It has been a very busy year for the Mining Controller and his assistants, but, having secured the confidence and co-operation of all those connected with the industry, the work has been made much easier than would otherwise have been the case and a minimum of control has been necessary.

Last year attention was drawn by the Mining Controller to the acute situation which was likely to arise in regard to man-power. This matter was recently represented to the War Cabinet and a decision obtained to transfer men with mining experience from the military forces back into the mines.

Considerable progress has been made in building up stocks of equipment vital to the continuity of production, and with the exception of one or two lines, which should arrive at any time, the position is good in this respect.

Wholesale distribution has received attention with good results, and plans have been completed for an improvement in housing at the mining townships in certain areas.

COAL-MINERS' RELIEF FUND.

The Coal-miners' Sick and Accident Funds having been abolished as from the 1st April, 1926, and incorporated in the Coal-miners' Relief Fund, all accident-relief payments are now made from the latter fund, which is administered by the Public Trustee.

The rate of interest allowed on the fund was decreased from 4 per cent. to $3\frac{1}{2}$ per cent. as from the 1st April, 1933.

The interest earned for the twelve months ended 31st March, 1942, was £679 7s. 10d., as against £735 13s. 7d. for the previous year, while for the same periods the receipts from the ½d. per ton contributions were £5,543 14s. 1d. and £5,268 7s. 11d. respectively.

The total expenditure for the year ended 31st March, 1942, amounted to £9,385 13s. 9d., as against £7,231 9s. 3d. for the previous year.

The amount standing to the credit of the fund at the 31st March, 1942, was £17,777 0s. 8d. as against £20,939 12s. 6d. at the 31st March, 1941.

PERSONS EMPLOYED IN OR ABOUT MINES AND STONE-QUARRIES AND IN OIL-PROSPECTING OPERATIONS.

The following table shows the number of persons employed in each inspection district during 1941 and 1940:—

				Inspection District.			Totals.			
Classification. Gold, silver, and tungsten ore			632	1,076	Southern (Rest of South Island).	1941. 2,325	1940.	Increase or Decrease.		
								Dec.	413	
			1,767	2,303	921	4,991	5,046	Dec.	55	
Stone - quarries Stone-quarries		the	1,396	85	491	1,972	1,952	Inc.	20	
Silica			2		6	8	5	Inc.	3	
Cinnabar			22			22	20	Inc.	2	
Iron ore			10	11		21	21			
Manganese			9			9	12	Dec.	. 3	
Pumice			1	• •		1	1		_	
Fuller's earth			1			1		Inc.	. 1	
Diatomaceous earth			1		1	$_2$		Inc.	$\tilde{2}$	
Bentonite			2			$_2$	3	Dec.	ĩ	
Serpentine			6			6	$\overline{2}$	Inc.	4	
Asbestos				10		10		Inc.	10	
Dolomite				4		4		Inc.	4	
Clay				$_2$	4	6		Inc.	$\hat{6}$	
Antimony					3	3		Inc.	$\check{3}$	
Oil prospecting	• •		153	21		174	178	Inc.	4	
Totals			4,002	3,512	2,043	9,557	9,978	Dec.	421	