

One of these hostels has already been completed at Reefton, construction work is proceeding upon units at Ohai and Huntly, and plans have been prepared for hostels at Granity, Denniston, Blackball, and Greymouth. At the same time every effort is being made to provide additional houses for married men in mining districts, as far as the difficulties general to the whole building position of the country will permit.

Provision of housing is fundamental to increasing the number of workers in coal-mines, upon which increased production must in great part depend.

Under the Government's immigration policy it has already been possible to engage men from Great Britain, and, while some of these have not had previous mining experience, they have proved quite satisfactory and a welcome addition to our labour force.

The production of bituminous coal showed a slight recession compared with the previous year.

It is recognized that an expansion in the output of this class of coal, especially in the low-sulphur category, is cardinal to improvement in the general coal-supply situation, and it is expected that the programme outlined in this report will eventually enable the existing problem to be surmounted. Some time must elapse, however, before new mines can be brought into full production, and until this can be achieved it will be essential to import suitable coal from overseas to bridge the gap between production and the needs of consumers.

During the year, production was commenced at the new field of this type of coal at Garvey Creek, near Reefton, but output is necessarily still on the small scale. Many difficulties have had to be overcome in providing access, and the section of the field in which operations have had to commence, though it contains a thick seam, presents some difficult mining problems owing to the vertical inclination of the seam. However, it is expected that output will gradually expand from this section, and when access has been provided to other sections the field as a whole will be capable of large-scale production, even though this stage still lies some years ahead.

Plans for the opening-up of a new area near Rewanui as a replacement for the Liverpool Mine have had to be deferred owing to the inclusion in this area of a small section held under lease by a co-operative party which is working an upper seam. Arrangements have now been made whereby drilling from this party's mine underground can be carried out and the rights to the lower seams acquired should drilling be successful. Drilling is now proceeding, and a decision as to the plan of opening up the area should be possible at an early date. Difficulties in securing equipment have also militated against the opening-up of this area.

An order has recently been placed overseas for the aerial ropeway to serve the Stockton Plateau, both opencast and underground mines, and it is expected that this aerial will be constructed and in operation in the beginning of the year 1951. From this time onward increased production should be possible from Stockton, as transport is now a limiting factor.

With the acquisition by the State of the undertaking of the Westport Coal Co., consideration has been given to the opening-up of new mines so that production may be maintained and increased.

A survey party similar to that which has been in operation at Stockton for some time has commenced work on the detailed topographical and geological surveys necessary to the intelligent layout of a new mine, and a drilling programme is being carried out by two of the Department's diamond drills.

As a result of this work it has been decided to proceed first with the opening-up of the Plateau Lease at Denniston, and when further information is available from the drilling programme a definite plan of development can be prepared. In addition, the question of transport facilities at Denniston to serve this new area and the areas at present working is being reviewed.