

It will be seen from the above table that in 1914 the production of bituminous and semi-bituminous coal amounted to 1,494,313 tons. With the exception of the year 1916, which showed an increase of 17,674 tons over the previous year, there has been a steady decline each year in production, the lowest point during the seven-yearly period being reached in 1920, when the output totalled 923,575 tons only—a decrease when compared with the previous year of 37,532 tons, and of 570,738 tons when compared with 1914.

When it is pointed out that most of our important industries and public services depend on bituminous coal for carrying on their activities, it will be appreciated how difficult has been the task during recent years, in view of the falling-off recorded, in allocating sufficient coal for their requirements, especially when it is borne in mind that there has been a considerable increase in consumption by most of the services indicated, as compared with 1914. The large increase in importations, to which attention has already been directed, has been a prime factor in enabling operations to be continued without interruption, and also in the building-up of reserve stocks.

During the period under review there has been a very substantial increase in the production of lignite coals, chiefly in Otago and Southland, the figures in this connection showing an increase of 114,508 tons, or 127 per cent., over the output recorded for 1914. Lignites are, however, quite unsuitable for use by the services mentioned, and are used chiefly for domestic and other local requirements in the districts where the mines are situated. The output of the brown-coal mines amounted to 715,709 tons last year, as against 684,331 tons for the previous year—an increase of 31,378 tons, and of 24,342 tons when compared with 1914. The improvement recorded in production in this direction has been of substantial benefit to the districts in close proximity to the mines, and other districts linked up by the railway system, but its unsuitability for our main industries and services, together with the extremely friable nature of the coal, has presented obstacles in the way of shipping the surplus to North Island ports, where a shortage of bituminous coal for domestic and other purposes has been in evidence at various periods throughout the year.

In connection with importations, it has to be stated that the quantity imported last year established a record—the large total of 647,077 tons being reached. The countries of origin are approximately as follows: Australia, 586,563 tons; Japan, 26,438 tons; Canada, 5,933 tons; South Africa, 12,186 tons; America, 15,957 tons: total, 647,077 tons.

The Railway Department, in order to supplement supplies from local mines and Australia, arranged for shipments from other sources, and their action in this respect has permitted of larger allocations being made to industries and other public services from local and Australian supplies than would otherwise have been possible, and at considerably less cost to the users. The various overseas and local shipping interests have also assisted by bringing cargoes of bunker coal from Australia and elsewhere for the requirements of their vessels loading in New Zealand for Home ports; the quantity brought into New Zealand for this purpose representing approximately 200,000 tons. It should be explained here that the Customs Department only show in their official return of importations the quantity of coal entered for home consumption—coal transferred from vessels to hulks for subsequent use as bunker coal not being included. The Coal-control Office, however, includes all coal brought to New Zealand, whether landed or not, and this difference in procedure, together with the difference between pit certificate and landed weights, accounts for the apparent discrepancy in the two sets of figures.

In the last report the difficulty in securing sufficient shipping tonnage for lifting coal, hardwood timber, and other essential commodities from Australian ports was stressed. During the past year, owing to the large increase in new tonnage and scarcity of cargo from Home and foreign ports, due to industrial disturbances and other economic causes, a marked improvement took place, and the difficulty during the past year has not been lack of shipping tonnage, but of cargo, both coal and general.

With reference to the freighting of coal, the action of the Commonwealth authorities in July last in controlling the output of the Maitland mines had the effect of decreasing supplies of this coal for New Zealand requirements, and seriously delaying vessels engaged in the trade. In this connection, however, the Commonwealth authorities recently advised that the embargo had been lifted, and that New Zealand requirements would in future be treated on a parity with those of inter-state—the collieries at Newcastle giving an undertaking to provide fully for Australian and New Zealand orders before shipping coal to foreign markets. This arrangement will ensure ample supplies of the best Newcastle coal for gasmaking and other essential industries in the Dominion, and removes the difficulties that have been so much in evidence during the last twelve months.

Before leaving the subject of shipping it should be stated that the Union Steamship Company (Limited), which has carried for many years past the bulk of the coal imported from Australia, has during the year placed a number of their new up-to-date cargo-steamers in the trade, and the arrangements for the transport of coal from Newcastle are now adequate.

With further reference to importations, while it is satisfactory to be able to point to the large increase recorded, which has enabled our main services and key industries to maintain in full their operations, the disadvantages from a financial and economic standpoint of being so largely dependent on outside sources of supply cannot be too strongly emphasized. It is trusted that now more miners are available for manning the mines on the West Coast a steady improvement in outputs will be secured, and if work continues uninterruptedly throughout the year it should be possible in the near future for our industries and services to obtain a larger proportion of their requirements locally than has been the case for some years past. Should this come about it will have the effect of lessening our dependence on imported coal, and of circulating the money expended in production and other relative charges amongst our own people, instead of it being spent, as at present, in other countries.