

COAL-MINING.

During the year 1930 2,542,092 tons of coal was produced from the mines operating in the Dominion, which is the highest output since coal-production commenced. This may be due partly to the fact that for the first five months of the year there was a stoppage of coal-mining in the Maitland district, New South Wales, which stoppage continued for fifteen months. During the year only 157,943 tons of coal was imported from overseas, which is the lowest quantity imported since the year 1904.

It was quite evident during the latter portion of the year that a number of gasworks were importing large parcels of coal from the Maitland district, New South Wales, notwithstanding that special efforts were made by my Department and by several owners of the bituminous mines to supply their needs during the time they could not obtain coal from New South Wales. When the labour trouble in New South Wales was settled, and notwithstanding the great assistance given by the owners of several of the bituminous mines, two or three gasworks proprietors practically ceased to buy regular supplies in substantial parcels of New Zealand coal, but ordered large quantities from overseas, thus causing a serious loss not only to the miners, but also to the coalowners, some Harbour Boards, and to the Government.

The quantity of coal imported by gasworks during the latter half of the year was 34,216 tons, or nearly 34 per cent. of the total quantity of coal imported in that period. In addition, some of the gasworks were supplied with imported coal through coal-trading merchants, but the quantity is not known. The quantity imported by merchants and others during that period was 67,718 tons, or 66 per cent.

CO-OPERATIVE MINING, STATE COAL RESERVE.

During the year ended the 31st December last, nineteen co-operative parties, working small portions of the State Coal Reserve in the vicinity of Greymouth under leases granted by my predecessors and myself, produced 104,209 tons of coal, which is a record output since co-operative mining was commenced upon such reserve. The lessees carry out the development work, provide their own plant and machinery, and make their own arrangements for selling the coal produced.

It was in 1921 that my predecessor arranged to grant leases to co-operative parties to work this reserve, and from that year until the end of last year there have been produced by such co-operative parties 538,390 tons of coal, in respect of which the State Coal-mines Account has been credited with £22,515 by way of royalties. These parties are regarded as an asset to the Dominion, in that they may be relied upon to pursue their calling with regularity. The men engaged in such industry are generally the best of miners and usually they take pains in so mining the coal as to secure a maximum production at a minimum expenditure. If it were possible to make arrangements to work the two State Coal-mines on a co-operative basis I feel confident that not only the men engaged, but also the Government as well as the Dominion, would obtain better results than under the present system.

The total quantity of coal produced by co-operative parties and co-operative contract parties throughout the whole of the Dominion for the year ended the 31st December last was approximately 286,520 tons, and there were employed in connection with such operations about 596 men.

CO-OPERATIVE CONTRACT MINING.

During the year 1924 arrangements were made with three groups of State coal-miners to work two sections of the Liverpool Colliery and one section of the James Colliery on a co-operative basis. Payment for the coal supplied was based upon the actual costs of working such sections under another method. One section was worked under the co-operative system for a period of six months, and the other sections for shorter periods. The results obtained demonstrated clearly that the men obtained material benefits when compared with what they would have gained under the old system, and that such benefits were obtained by the good spirit and