

fine team-work that prevailed in carrying out mining operations. It was also manifest that under the co-operative principle the relationship established between the men and the Department's officials was of a most cordial nature.

Owing to those members of the Miners' Union who were not working on a co-operative system striking, and owing to intimidation, the three co-operative parties were compelled to cancel their contracts with the Department, thus bringing to a termination an honest and earnest endeavour on the part of the men to better their conditions and to bring about a better relationship between themselves and the officials.

Since that time several other privately owned mines have been and are still being worked under co-operative contracts. From the knowledge obtained by the Department as regards some of the mines working under such system it is an established fact that the men have materially improved their conditions and at the same time the coalowners have been able to carry on without making a loss. But for changing the system of working, more than one colliery company would have had to cease mining operations owing to the serious losses suffered in working under the old system in consequence of the frequency with which strikes occurred and other causes.

Under the co-operative contract system the contractors are placed in possession of mines which have been developed and equipped with the required plant and machinery to work the same and at considerable cost, and as payment for the work performed by the contractors they are allowed so much per ton by the owners for the coal produced. It is obvious that by co-operative efforts on the part of the men they are able to obtain better results than those gained under the old system.

It should be manifest to the miners as a whole that by striking promiscuously as some of them have been doing they will inevitably compel those who are working mines, in which large sums are invested, to consider the question of changing the system of working so as to obtain uniformity of output, and to enable them to pay their way, and at the same time to sell coal to the public at reasonable prices. The intermittent working in consequence of strikes is undoubtedly the cause of serious hardship to those engaged in general business in coal-mining townships, and to those who are handling coal at the ports of delivery and discharge. If such stoppages could be obviated the result would be that the income of those who are working in the industry would be more satisfactory than it is at present, and the consumers of coal could look forward to a reduction in the selling-prices.

STATE COAL-MINES.

During the year ended the 31st March, 1931, the Liverpool Mine did not work on ten days owing to extra holidays taken by the miners after Christmas and stopping work periodically, the effect being that the miners lost £3,610 in wages and the Department £1,410. During the same period four days were not worked at the James Mine for similar reasons, causing a wages loss of £372 to the men employed, and a loss to the Department of £200. In my opinion these stoppages should not have occurred.

In the industrial agreements under which the State coal-mines are being worked provision is made that if any dispute arises at any time concerning any matter not specially provided for by the agreements such disputes shall be first referred to the disputes committee at the mine, and, failing a settlement being arrived at by that committee, the disputes shall be referred by it to a central committee, but, unfortunately, such tribunal was not availed of when the stoppages occurred.

There is no doubt whatever in my mind that there are far too many stoppages at the State coal-mines, and if they could be obviated the Government would be in a position to reduce the selling-price of coal to the public.

It may be mentioned that since August, 1920, the Department has been subsidizing the cost of the railway fares for conveying the workmen to and from Rewanui. For the year ended 31st March, 1931, the subsidy paid by the Department amounted to £742, which is equivalent to about 1½d. per ton on all coal produced and sold from that colliery. The men employed at the James Colliery are carried to and