

SUBSIDY ON COAL-PRODUCTION

Payments administered by the Mines Department for the financial year ended 31st March, 1948, from the Stabilization Account were :—

	£	s.	d.
District tonnage subsidies	856,925	13	8
Subsidy on Saturday work	58,043	15	9
Subsidy on work on statutory holidays	53,074	16	6
Subsidy on shift bonuses	34,390	9	0
Subsidy on increased cost of tools	9,112	13	7
Special subsidies on uneconomic mines operated by the State	167,380	0	0
Guaranteed profits (Waikato mines)	175,130	0	0
Administration costs (Waikato mines)	3,974	17	0
Miscellaneous	105,499	6	7
	<u>£1,463,531</u>	<u>12</u>	<u>1</u>

Of this amount, £715,743 was in respect of State coal-mines and £747,789 in respect of privately owned mines.

The figures given are the actual payments by Treasury during the financial year. During the period, the State coal-mines earned subsidies to the amount of £813,146, as shown in the accounts (C.—2A). The difference between this figure and the sum of £715,743 represents subsidies not verified and paid until after the end of the financial year.

The total amount paid by way of general subsidies from the inception of the scheme in May, 1940, to 31st March, 1948, is £5,692,970.

The total amount expended under the Waikato Coal-mines Control Emergency Regulations 1942 to 31st March, 1948, is £589,858, giving a grand total to date for all forms of subsidy of £6,282,828.

In December, 1939, the approximate average price (f.o.r.) of run-of-mine coal was £1 per ton, and at this level the price was stabilized until 1st October, 1947, when the average price was advanced by approximately 1s. 6d. per ton. However, during the year ended 31st March, 1948, subsidy payments on coal due for this period, together with the amount due under the guaranteed net-profits clause of the Waikato Coal-mines Control Emergency Regulations for the same period, would average approximately 11s. 6d. per ton of coal produced.

Accordingly it must be assumed that were it not for payments in respect of subsidy and guaranteed net profits the average price f.o.r. of run-of-mine coal would have advanced by 11s. 6d. per ton to 33s. per ton.

During the same period the statistical statements of the Ministry of Fuel and Power and the National Coal Board of Great Britain show that the average proceeds per ton of coal disposable commercially has increased from 17s. 6d. in December, 1939, to 42s. 10-7d. for the quarter ended 31st December, 1947.

CO-OPERATIVE MINING, STATE COAL RESERVE, GREYMOUTH

During the year 1947, sixteen co-operative coal-mining parties were operating on areas within the State Coal Reserve, Greymouth. The production for the year was 84,925 tons and the number of men employed was 130. In 1946, fifteen parties produced 88,709 tons.

Co-operative parties have produced to date 2,162,142 tons of coal and have paid royalties to the Crown amounting in the aggregate to £104,381.