

In addition to the above a large number of overseas vessels coming via Panama and Newcastle lifted enough bunker coal at the last coaling-port to work New Zealand ports and to assist on the outward voyage, and in some cases brought sufficient not only for their own requirements, but also for other steamers.

At the beginning of this year there was a possibility of our securing supplies from South Africa, but owing to a change in the routing arrangements for oversea vessels the matter meanwhile lapsed. In this connection it should be stated that the cost of this coal, if obtainable, would be about £4 5s. per ton c.i.f. Wellington, and previous experience of its quality was far from satisfactory.

Investigations have also been made with a view to ascertaining whether there were any prospects of securing Japanese and Indian coal, but this was found impracticable, owing to the quality being unsuitable for our requirements and the price for Japanese—£7 a ton c.i.f.—being prohibitive.

Offers have also been received for shipment of Kaiping (Chinese) coal at £4 15s. c.i.f., but in view of the quality and relatively high price it was not deemed advisable to accept.

EXPORT OF COAL.

Since the inauguration of coal-control permits to export coal from the Dominion have been refused. In the case of Admiralty orders for the requirements of the Australian Squadron, a full cargo of Newcastle has been arranged for in exchange for Westport on every occasion.

OUTPUTS NEW ZEALAND PRINCIPAL MINES, AND IMPORTATIONS, FOR SEVEN MONTHS ENDED 31ST JULY, 1918 AND 1919 RESPECTIVELY.

Month.	1918.			1919.		
	Outputs.	Importations.	Total.	Outputs.	Importations.	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
January	144,349	15,925	160,274	133,510	21,364	154,874
February	153,804	18,560	172,364	139,190	24,384	163,574
March	143,416	18,793	162,209	146,444	40,699	187,143
April	155,965	20,733	176,698	122,051	40,142	162,193
May	183,598	36,497	220,095	152,611	33,131	185,742
June	170,916	22,093	193,009	133,035	22,522	155,557
July	180,118	24,727	204,845	138,085	31,715	169,800
Grand totals ..	1,132,166	157,328	1,289,494	964,926	213,957	1,178,883

From the above it will be seen that the outputs of the principal New Zealand mines have fallen from 1,132,166 tons for the seven months ended 31st July, 1918, to 964,926 tons for the same period this year, a decrease of 167,240. Importations, on the other hand, have increased by 56,629 tons, making a net decrease of 110,611 tons. The most disturbing feature, however, is the continued falling-off of the output of the principal West Coast mines, which for the seven months of the current year, as compared with the corresponding period of last year, show a decrease of 111,797 tons. This aspect has had the effect of seriously adding to the difficulty of making adequate provision for the carrying-on of those industries and public services for which this class of coal is essential; and, after due allowance has been made for the coal imported, which, as already stated, showed an increase of 56,629 for seven months of 1919, a net deficit of 55,168 tons in hard coal has resulted. This will clearly indicate the difficulties that have been experienced in endeavouring to allocate the available supplies so as to prevent any curtailment or stoppage in the carrying-on of those industries and public utilities of vital importance to the Dominion. It should be mentioned that, apart from the recent cut in the railway services, no other public service or industry has had to curtail its operations in consequence of the lack of coal, which in view of the decreased tonnage available for distribution must be regarded as highly satisfactory.

Regarding the drastic curtailment of railway services, it should be placed on record that a curtailment was contemplated in May, 1918, when stocks were down to 17,000 tons of hard coal—a little over three weeks' supply. As the outcome of a conference held with the Minister of Railways, Minister in Charge Coal Control, and departmental officers, it was decided to defer the cut, as there was every indication that sufficient coal was in sight from Newcastle, and that the minimum weekly quantity—namely, 5,000 tons, required to maintain full services—would be forthcoming. This undertaking was duly given effect to, and stocks were gradually built up until, at the end of October (just before the epidemic) the Department was holding 35,000 tons—equal to seven weeks' supply for full services. As has already been explained, however, the epidemic had disastrous results as far as output and importations were concerned, consequently less coal could be allocated for railway purposes. Stocks therefore decreased until at the end of December they had fallen to 20,000 tons. Owing to additional services being provided over the Christmas and New Year holidays, stocks were further depleted to 11,000 tons on the 25th January, 1919. At the same time it must be taken into consideration that the mines were closed down for about ten days, owing to the holidays, which resulted in decreased outputs and consequently increased the difficulties of allocation. The shortage of miners also became more acute at this stage,