of delivery have been Sydney, Melbourne, and Adelaide; Western Australia so far has been getting most of her phosphates from Christmas Island, that being the nearest source of supply. The New Zealand supply of raw phosphate has come from Makatea Island. The various distances between New Zealand and Australian ports and Nauru and Makatea Islands are as follows:—

Nauru Island to Sydney	2,170	miles.
,, Auckland	2,250	,,
,, Wellington	2,660	,,
,, Melbourne	2,800	,,
Makatea Island to Sydney	3,440	,,
,, Auckland	2,340	,,
,, Wellington	2,440	,,
,, Melbourne	3,830	,,

The supply from Makatea Island, as has already been mentioned, has not a long life. The Board deems it therefore of the utmost importance that, while any arrangement made in connection with Nauru Island may not immediately cheapen phosphates for New Zealand, there is such an enormous deposit there that in securing a portion of the output it would (given reasonable control of the annual output) ensure for at least two hundred years a supply of this mineral, which is absolutely necessary for production in New Zealand, upon which so much depends.

Another point which was brought under our notice was the supply of dolomite, which is necessary in the manufacture of mild steel, and which is available in quantity on Nauru Island.

The Board therefore passed the following resolutions:—

"That in the opinion of the Board of Agriculture it would be greatly to the advantage of New Zealand that the proposed agreement between the British Government and the Governments of Australia and New Zealand for the administration of Nauru Island, and for the distribution of phosphates from the island, be ratified."

"It is essential to the continued well-being of the agricultural and pastoral industries of New Zealand that a continued adequate supply of phosphate be assured for as long a period as possible. All the information available points to the fact that, with the exception of Nauru Island, the higher-grade phosphate deposits in the Pacific will be worked out within the next generation if their usual yearly output is continued. Nauru Island is relatively adjacent to New Zealand; it contains by far the largest deposit of any Pacific island—in fact, is believed to possess the largest deposit of high-grade phosphates in the world—and at its present rate of output could continue supplies for at least two hundred years.

"The Board is of opinion that a satisfactory arrangement under which New Zealand is ensured a sufficient proportion of the output from Nauru, as outlined by the Right Hon. the Prime Minister, would be of the greatest value to farmers and to the community generally. It may be that, for a few years to come, these exceptionally high-grade Nauru Island phosphates cannot be sold at lower prices than phosphates of approximately equal quality derived from other sources. The controlled supply, which should prevent the annual output being so increased for the benefit of countries outside the Empire as to unduly shorten the existence of the deposits, and the consequent assurance of it being available for so long a period, further renders the proposed arrangement most valuable, and the Board trusts that the necessary steps may be taken to make it effective."

The Board in making inquiries gathered a considerable amount of valuable information concerning shipping and the working-conditions on the island, &c., which are available if necessary.

Attached is a report and information from publications in the possession of Mr. Aston, Agricultural Chemist, in connection with the phosphate islands, together with a further report from him as to the need of a supply of phosphate for the Dominion's requirements.

Yours faithfully,

JAMES G. WILSON,
President of the Board.

The Right Hon. the Prime Minister.

REPORT ON PHOSPHATE ISLANDS.

Wellington, 3rd September, 1919.

HEREWITH is a transcript of notes taken from the work in German, "Corallogene Phosphat-Inseln Austral-Oceaniens und ihre Produkte," by Carl Elschner, 1913, and some additional notes from Fritsch's work, "The Manufacture of Chemical Manures," 1911.

Due allowance must be made in considering some of the statements made by Elschner to the fact that he is a German and therefore probably intensely partisan. In considering these extracts I should also like to refer you to my confidential report, dated the 27th November, 1914, to the Prime Minister on the result of my inquiries into phosphates while travelling in 1914.

I would also like to point out that the occurrence of dolomite—a mixture of approximately equal parts of the carbonates of calcium and magnesium—may be useful in the iron-smelting industry in New Zealand.

B. C. ASTON, Chemist.

The Director-General, Department of Agriculture, Industries, and Commerce,
Union Chambers, Wellington.