

The extent to which the Government can successfully arrest rises in prices in such circumstances constitutes a complex question, but active measures for the limitation of profits have been adopted, and these will be continued and strengthened.

A wave of extravagance has undoubtedly followed in the wake of the war, and people must realize that if they spend over-freely they raise prices against themselves; and thus by practising thrift one of the important causes of the rise in prices may be checked.

It can still be claimed that this Dominion is better off than any other part of the world not only in respect of food-prices, but in the general level of prices. The Board of Trade has controlled the prices of such essential commodities as wheat, flour, bread, butter, sugar, meat, milk, groceries, benzine, timber, and cement. As regards meat, the price has practically remained constant during the last three years, and no complaints have been received as to excessive prices. By means of this control consumers have been saved many thousands of pounds. The conserving of food and clothing supplies grown and manufactured in the Dominion, has been effective in checking the export or commodities needed in the Dominion. This prohibition included such articles as jam, sugar, bacon, hams, pork, leather, footwear, and manufactured woollen goods.

The chief cause of complaint centres round the enormous increase in the prices of imported goods, over which no control can be exercised beyond ensuring that the profits made in New Zealand are not unreasonable.

COAL-CONTROL.

The maintenance of essential industries and public services was during the year rendered difficult owing to the steady decrease in the output of the Dominion's coal-mines; and had it not been for the large importation of coal serious curtailment or complete stoppage of many important industries and public utilities would have occurred.

The organization set up under the Coal Trade Regulations enabled the best possible distribution in the national interest, and no actual stoppage took place.

Towards the end of last financial year, as the outcome of reduced local outputs and the shipping strikes in Australia, the Government found it necessary to arrange for two shipments of 12,000 tons of South African coal to provide primarily for the requirements of freezing-works and threshing plants in the Canterbury and Wellington Provinces. Arrangements were also made for several overseas steamers, *en route* to New Zealand, to pick up cargoes of coal at Newcastle and Port Kembla; and the arrival of these shipments provided much-needed assistance.

The steady decrease in the output of hard coal in the Dominion collieries since the year 1914 is shown in the following table:—

Bituminous Coal.

			Dominion Mines. Tons.	Importations. Tons.
1914	....	...	1,494,315	518,070
1915	....	....	1,404,400	353,471
1916	....	....	1,422,047	293,956
1917	....	....	1,247,989	291,597
1918	....	....	1,122,308	255,332
1919 (approximate only)	....	....	921,136	455,494

This table includes only the hard coal produced and imported, as it is on this class of coal that our principal industries, services, and shipping depend. Taking the output for the years 1914 and 1919, there has been a drop of over 500,000 tons. The importations for 1919 were greater than for any previous year with the exception of 1913 and 1914, and indicate that notwithstanding the extreme shortage of shipping-tonnage a large measure of success in making good the deficiency in the hard-coal production of the Dominion was achieved. As a matter of fact, the increase in importations for 1919 as compared with the previous year is almost equal to the falling-off recorded in the quantity of bituminous coal raised in New Zealand for the same year.