SUBSIDIZED PROSPECTING.

During the year ended 31st March, 1920, thirty-eight approved prospecting-parties were granted subsidies amounting to a total of £3,554 6s. 8d., of which sum

£1,520 ls. 4d. was expended during the period.

Under Part X of the Mining Act, which was amended last year so as to make more generous provision for the granting of loans to mining companies, several applications for loans have been received. One loan of £10,000 has been granted to a gold-mining company, and one of £5,000 to a coal-mining company; four applications have been declined as the conditions were not complied with, and others are under consideration.

GOVERNMENT PROSPECTING-DRILLS.

Extensive use has been made of the Department's diamond and Keystone drills, and the regulations relating to the hiring of these have been so improved that the use of such drills may be in greater demand in the future.

ROADS AND TRACKS.

The expenditure in the form of subsidies and direct grants upon roads on goldfields amounted to £13,096, as compared with £4,185 for 1918 and £6,911 for 1917.

WATER-RACES.

The Kumara and Mount Ida water-races have been maintained during the year at a cost of £4,056. Thirty-seven miners were supplied with water, and gold won to the value of £8,180. Cash received from sales of water amounted to £1,398.

STATE COLLIERIES.

The operations of the State coal-mines and State coal-depots for the year ended the 31st March, 1920, are briefly reviewed hereunder.

OUTPUT AND SALES.

The gross output of the mines for the year was 156,228 tons, as compared with 214,919 tons for last year, a decrease of 58,691 tons. A comparative statement for the two years is shown below:—

	Output in To	ons, 1919–20.	Output in Tons, 1918-19.		
Mine.	Gross.	Net.	Gross.	Net.	
Point Elizabeth Liverpool	35,816 $120,412$	33,553 115,650	86,535 128,384	$82,052 \\ 125,229$	
Totals	156, 228	149,203	214,919	207,281	

Note.—The difference between the gross and net output is the allowance made for mine consumption and waste.

Point Elizabeth Colliery produced 33,553 tons of marketable coal, a decrease of 48,499 tons on the production of last year. After allowing for stocks on hand and afloat at the beginning and end of the year the disposal was as under:—

	Supp	plied to		Screened.	Unscreened.	Small.	Totals.
Depots Railways Other Governme Other consumers Shipping compan		 artments 	 	Tons. 883 2,680 45 5,644	Tons. 7,469 150 222 2,478 13,977	Tons 1,059 74	Tons. 8,352 2,830 267 9,176 14,051
Totals			 	9,252	24,291	1,133	34,676