STORES BRANCH.

An analysis of the amount expended in connection with the purchases of stores during the year is as under:—

				£	s.	d.
To merchants, manufacturers, and others in	New	Zealand				
Through Trade Commissioner in Australia				110,143	6	5
				651,226	11	8
Material manufactured in railway workshops		• •		332,062	19	1
Coal and coke				529,037	8	1
Manufactured and used material recovered fro	m o	ther branches,	&с.	90,019	17	3
Timber from railway sawmill and stores used					0	11
				60 075 407	10	10
				£2,375,497	19	70

The net increase in the year's expenditure compared with the previous year was £567,907–12s. 2d. The principal increases were—To merchants, manufacturers, and others in New Zealand, £171,806–1s. 4d.; through High Commissioner in London, £205,171–10s. 3d.; material manufactured in railway workshops, £117,256–10s. 4d.; coal and coke, £57,258–1s. 2d.; and timber from railway sawmill and stores used, £19,095–17s. 5d. There was a decrease of £6,012–19s. 4d. under the head "Through Trade Commissioner in Australia."

The increases enumerated above are due to the purchase of (1) materials for building programmes, (2) extra stocks of native and hardwood timber, and (3) imported materials. The payment of exchange in connection with purchases arranged through the High Commissioner, London, also involved considerable expenditure. There has been a general increase in the costs of material.

The total issues to all branches for the year amounted to £2,301,504 9s. 7d., compared with

£1,900,970 2s. 9d. for the previous year, an increase of £400,534 6s. 10d.

A summary for six years showing the value of purchases and issues of stores (exclusive of coal), together with the value of stocks on hand (stores and coal), at the close of each year, is as under:—

						Stocks on Hand.			
	Yea	r.		Purchases.	Issues.	Stores.	Coal.	Total.	
				£	£	£	£	£	
1932				852,044	1,018,616	481,056	181,073	662,129	
1933				755,100	875,285	360,871	165,576	526,447	
1934				1,059,879	969,067	451,683	157,637	609,320	
1935				1,269,171	1,136,243	584,611	160,177	744,788	
1936				1,436,696	1,400,858	622,899	144,888	767,787	
1937				1,971,314	1,719,414	874,800	107,653	982,453	

COAL-SUPPLIES.

The average consumption of coal per week during the year ended 31st March, 1937, was 8,830 tons, which was an increase of 315 tons per week compared with the previous year. A comparison of the purchases of New Zealand and imported fuel for eight years ended 31st March, 1937, is as follows:—

Year.	New 2	ealand.	Per Cent.	${\bf Imported.}$	Per Cent.	Total.
rear.	. 7	ons.	of Total.	Tons .	of Total.	Tons.
1929-30	 358	5,214	$74 \cdot 59$	121,037	$25 \cdot 41$	476,251
1930-31	 36'	,686	60.00	40,827	10.00	408,513
1931-32	 373	3,335	$89 \cdot 72$	42,756	$10 \cdot 28$	416,091
1932.33	 388	3,005	$100 \cdot 00$			388,005
1933-34	 38.	596	$100 \cdot 00$			381,596
1934–35	 425	2.334	$100 \cdot 00$			422,334
1935–36	 43'	7,959	100.00			437,959
1936-37		3,795	$100 \cdot 00$			433,795

It will be noted that the purchases during the year were again all in New Zealand coal. Of these purchases 212,060 tons were hard coal and 221,735 tons soft coal.

FORESTRY BRANCH.

During the year 112 piles for use by the Maintenance Branch were cut at the Ngongotaha and

Rotorua plantations.

Thinning and clear felling operations were carried out at certain plantations in the South Island, and the following firewood was cut: Rolleston, 38 cords; Burnham, 991 cords; Chertsey, 504 cords; and Stewart's Gully, 164 cords. In addition, certain trees were cleared away from the signal-wires at Weedons and Rolleston, these trees, up to 31st December, 1936, having yielded 62 cords of firewood and 24 piles. At Temuka 30 cords of firewood were cut.