

MINING AND COAL-MINING LEGISLATION.

The only amendment to the Mining Act during 1938 was one which slightly altered and extended the provisions of that Act relating to the granting of mineral licenses, and was effected by a section in the Statutes Amendment Act, 1938.

An amendment of eleven clauses was made to the Mining Regulations.

No coal-mining legislation was brought forward during the year, but the Coal-mines Regulations were revised and consolidated, and were recently issued.

GOLDFIELDS REVENUE AND GOLD DUTY.

The amount of goldfields revenue received and credited to the accounts of local bodies during the year ended 31st March, 1939, was £18,226 12s. 1d., a decrease of £1,278 11s. 3d. compared with the previous year. During the same period the total of the three duties on exported gold amounted to £108,076 15s. 4d., of which £5,502 5s. 9d. was credited to the accounts of local bodies under section 12 of the Gold Duty Act, 1908. The special export duty of 12s. 6d. per ounce amounted to £100,011 9s. 3d., which sum was paid into the Consolidated Fund.

MINING PRIVILEGES.

Interest is still being maintained in the mining industry, although the number of licenses granted has decreased. During the year ended 31st March, 1939, 568 licenses for mining privileges were granted under the provisions of the Mining Act, 1926, as compared with 743 for the previous year. Out of this number 72 were licenses for claims authorizing the holders to mine for gold. For the same period 384 mining privileges, including 89 licenses for claims, were struck off the registers under the provisions of section 188 of the Act.

PETROLEUM OIL.

From the Nos. 1, 2, and 4 wells of Moturoa Oilfields, Ltd., at Moturoa, Taranaki, 116,585 gallons of crude petroleum oil was obtained.

From the Kotuku field on the West Coast of the South Island 1,269 gallons was recovered.

The Dominion's total production of crude petroleum oil to 31st December, 1938, is estimated at 2,883,650 gallons.

As announced in my last statement the passing of the Petroleum Act, 1937, heralded a new era in the search for oil in New Zealand. Following the passing of this Act, considerable interest was evinced by some of the major oil companies, and practically all the potential oil-bearing land in New Zealand was applied for. In all, 52 licenses, with an aggregate area of 9,236 square miles, have been granted, and applications for further areas are still coming to hand. With the granting of the licenses the search for oil commenced on a scale unprecedented in the history of New Zealand.

Geological and geophysical investigations are being carried out on all licensed areas, and the first important well is being drilled near Gisborne with a modern and efficient plant capable of drilling to a depth of 10,000 ft.

The scope of the investigations undertaken by the various licensees is being rapidly expanded with the arrival of expert staff and special equipment from overseas.

COAL-MINING.

There were 159 coal-mines operating in the Dominion in 1938. Seventy-one of these mines are situated on freehold property and produced 840,598 tons or 38 per cent. of the total output. The remaining 88 mines are situated on Crown lands and produced 1,381,490 tons, or 62 per cent. of the total output of 2,222,088 tons.

The annual production of coal since 1930 has been as follows :—

Year.	Tons.	Year.	Tons.
1930	2,542,092	1935	2,115,184
1931	2,157,756	1936	2,140,217
1932	1,842,022	1937	2,277,799
1933	1,821,258	1938	2,222,088
1934	2,060,315		

The decrease in output for 1938 is 2.44 per cent. below the figure for 1937, and is confined to brown coal.