

The principal decrease was in the gold-mining industry, which was affected by the calls for military service and the diminution in the number working small alluvial claims. The decrease in the numbers employed in coal-mines may be attributed mainly to the fact that there is no field available for the recruitment of labour to replace the annual wastage due to accidents, sickness, and retirements through age.

MINING AND QUARRY ACCIDENTS.

In metalliferous mines, at which 2,420 men were ordinarily employed, four persons were killed and three persons seriously injured.

At stone-quarries under the Stone-quarries Act, employing 1,972 men, five persons were seriously injured. There was one fatal accident.

In coal-mines, where 4,991 persons were ordinarily employed, four persons were killed and twenty persons seriously injured.

The inspection of mines and quarries was maintained at the highest possible level during the year and full investigation made into the circumstances of every fatal and serious accident. In each case the Department's and workmen's inspectors reported "no blame attachable to any one."

MINERALS OTHER THAN GOLD.

The exigencies of war give ever increasing importance to the production of minerals other than gold, especially those which come within the category of strategic minerals. The loss of valuable supplies in the Far East from countries invaded by Japan has considerably aggravated the situation, and it is now fully recognized that for the duration of the war their value far transcends that of gold to the united allied cause.

The main difficulty encountered has been the general shortage of mining equipment and skilled man-power, but this must be overcome even at the expense of future gold-production. Accordingly I have had no hesitation in suspending prospecting operations by the Mines Department at the Golden Treasure Mine, Reefton, despite recent promising development, and transferring the staff and equipment to Glenorchy in the effort to increase the production of tungsten ores.

Salient points in the development of these minerals during the year have been increased development of scheelite deposits which should result in increased production in the future, the resumption of the production of mercury in New Zealand, the location and prospecting of mica deposits which it was hoped would prove valuable on thorough investigation, though results of this work have proved disappointing, and of increased interest in the development of non-metallic mineral deposits.

SCHEELITE.

This still remains the most important strategic mineral produced in New Zealand. Its importance has, of course, increased enormously owing to the loss of supplies from Burma and China, the world's major producers. Short supply and increased demand have resulted in a sharp upward trend in the price of tungsten-ores, the price at which Portugal is now supplying the Axis powers being fantastically high.

The Imperial Government, to whom the whole of the scheelite produced in New Zealand is now sold under contract, has recognized this general increase in prices, and New Zealand ores are now being purchased at £6 sterling per unit on similar terms to those previously operating. This agreement is for a term of two years, and should be an incentive for small producers to undertake development work and thereby increase production.

Despite increased effort and a considerable measure of assistance by the Mines Department, the production of scheelite fell from 74 tons in 1940 to 67 tons in 1941. This is due in great part to the erratic distribution of scheelite in the various lodes and the leeway to be made up in development work. The latter problem has been given continuous consideration by my Department, and eventually it was decided that the only manner by which it could be overcome was by the Department itself taking an active part in development work. To this end the Government has acquired two mines in the Glenorchy district, and active development work is now proceeding at both of them.

Prospecting operations were continued by the Department in the Wakamarina district, but the occurrence at Mountain Camp Creek proved disappointing on development, and operations were transferred to an unexplored section of the Golden Bar Mine, which was an important producer of scheelite during last war. Recent work at this occurrence has been encouraging, but much work requires to be done before its value can be assessed.

In general, I am endeavouring to have every occurrence of scheelite-ore that presents any possibilities investigated, either directly by the Mines Department or by independent prospectors with assistance from the Department.

MERCURY.

It is pleasing to report the resumption of the production of mercury in New Zealand, especially as mercury is of prime importance in the munitions industry, and the deposit at Puhipuhi appears the only one either in New Zealand or Australia capable of sustained production.

Considerable enterprise has been shown by the principals of Mercury Mines, Ltd., in overcoming the many difficulties inherent in such an undertaking, especially in wartime with shortages of both equipment and skilled labour. The modern and well designed treatment plant reflects much credit upon them.

In addition to these operations, the Mines Department has been investigating cinnabar occurrences, and is at present prospecting the Ascot Mine at Karangahake. Results so far have been sufficiently encouraging to indicate that a small but worthwhile tonnage of high-grade ore may be developed, and prospecting work is being continued.

MICA.

It is of considerable interest, considering the strategic value of mica, that deposits of this mineral have been located in south Westland. A preliminary investigation of these deposits by officers of the Geological Survey was sufficiently encouraging to justify much more detailed work. As a first step the area containing the deposits has been photographed from the air and a well-organized prospecting party, containing officers of both the Geological Survey and the Mines Department, have now made a comprehensive survey of the area. Access to the area is difficult, and the party worked under considerable difficulties at high altitudes at a most unseasonable time of the year. Unfortunately, detailed work has shown that the mica is rather small and occurs very spasmodically, and the possibilities of producing commercial mica seem limited. However, the effort to locate supplies of this essential mineral was well justified by its importance to the war effort.