

Devlin and Party's Area, Rotowaro.—This area was under option to the Department, and it was deemed necessary to close drill to determine coal and overburden quantities for opencast purposes. Thirty-two bores totalling 1,319 ft. were drilled, and in the process it was found that because of the irregularity of the coal the spacing of the bores was important. This area has now been thoroughly drilled and will be worked opencast.

Callaghan's Dip Area, Rotowaro.—Thirty-one bores totalling 4,201 ft. have to date been drilled on the area, and drilling is proceeding. It is too early yet to give any indication of quantities of coal.

Foundations, Rotowaro Workshops.—Six bores totalling 94 ft. were drilled for foundation testing at the proposed site of the new workshops for Taupiri Coal-mines. This was done with hand equipment.

Summary of Bores Drilled

Area.	Bores.	Footage.
Wangaloa	3	103
Ashers Siding	22	1,133
Ohai	146	16,954
Stockton	78	9,209
	Shot-holes	4,390
Denniston	20	3,525
	Cable-holes	114
Reefton	4	3,501
Liverpool Mine	1	165
Strongman Mine	11	987
Tyneside	1	170
Dobson	4	640
Mount Davy	1	2,482
Devlin and party area	32	1,319
Kimihia	4	211
Callaghan's Dip	31	4,201
Foundations, Rotowaro	6	94
Total	49,198

SUBSIDY ON COAL-PRODUCTION

Payments administered by the Mines Department for the financial year ended 31st March, 1950, from vote "Stabilization" were:—

	£
District tonnage subsidies	2,148,395
Special subsidies on uneconomic mines operated by the State	430,451
Guaranteed profits (Waikato mines)	308,716
Administration costs (Waikato mines)	2,205
	£2,889,767

Of this amount, £1,751,028 was in respect of State coal-mines and £1,138,739 in respect of privately owned mines. These figures are the actual payments by Treasury in the financial year. During the period the State coal-mines earned subsidies to the amount of £1,357,922, as shown in the accounts (C-2A). The difference between this figure and the sum of £1,751,028 is accounted for by the amounts owing but not paid at the end of each financial year—*e.g.*, the special subsidy of £430,451 paid in the 1949-50 financial year was in respect of the 1948-49 financial year.