

to estimate the suitability of the coals for industrial use, oil-production, gas-making, &c. Preliminary geological work has already been carried out on the Blackburn area, and arrangements are in hand for the provision of laboratory accommodation for chemical analyses and investigations.

#### PERSONS EMPLOYED IN OR ABOUT MINES AND STONE-QUARRIES.

The following table shows the number of persons employed in each inspection district during 1936 and 1935 :—

Classification.	Inspection District.			Totals.		
	Northern (North Island).	West Coast (of South Island).	Southern (rest of South Island).	1936.	1935.	Increase or Decrease.
Gold, silver, and tungsten ore	1,068	2,652	1,463	5,183	6,741	Dec. 1,558
Coal .. .. .	1,469	1,850	938	4,257	4,231	Inc. 26
Stone-quarries under the Stone-quarries Act	1,504	127	350	1,981	2,002	Dec. 21
Oil .. .. .	3	3	..	6	4	Inc. 2
Cinnabar .. .. .	..	..	..	..	5	Dec. 5
Totals .. .. .	4,044	4,632	2,751	11,427	12,983	Dec. 1,556

#### MINING AND QUARRY ACCIDENTS.

In metalliferous mines, at which 5,183 men were ordinarily employed, seven persons were killed and five persons seriously injured.

At stone-quarries under the Stone-quarries Act, employing 1,981 men, there were four fatal accidents and two serious accidents.

In coal-mines, where 4,257 persons were ordinarily employed, four persons were killed and twenty-six persons seriously injured.

#### CO-OPERATIVE MINING, STATE COAL RESERVE.

Twenty co-operative parties working portions of the State Coal Reserve near Greymouth produced, during the year 1936, 101,619 tons, the number of men employed being 172. During the previous year twenty parties produced 91,384 tons, there being an increase this year of 10,235 tons.

The institution of the co-operative mining ventures on the State Coal Reserve has been a most successful experiment, and has been of great value to the State.

Up to the end of 1936 these parties have produced a grand total of 1,124,178 tons of coal, and have in the same period paid royalties to the State amounting to £52,064. A number of small isolated blocks of coal have been worked which could not have been profitably mined by a major organization, and if the co-operative system had not been developed much of this coal would probably have been left unmined for all time.

#### STATE COAL-MINES.

The outputs from both the Liverpool Colliery and the James Colliery showed substantial increases for the year.

The profit for the year ended 31st March, 1937, after providing for interest and depreciation, amounted to £14,558, an increase of £4,376 on the result for the previous year. A sum of £9,178 was transferred to the sinking fund, leaving a net surplus for the year of £5,380.

During the year the Department continued its policy of keeping in closer touch with its customers, and the advertising campaign, conducted in several centres, has been continued. The results have proved satisfactory, and increased business has been obtained. As an indication of this, notwithstanding the greatly increased