COAL-SUPPLIES.

The following return shows the purchases of coal made during the last six years :—

Year.		Tons.	Year.			Tons.
1932 - 33	 	 388,005	1935 - 36			437,959
1933 - 34	 	 381,596	1936 - 37	••		433,795
1934 - 35	 	 422,334	1937 - 38		••	544,222

Of the purchases of coal made in 1938, 315,207 tons were hard coal and 229,015 tons soft coal.

It is worthy of note that only New Zealand coal is used by the Railways Department, which has imported no coal during the last six years. The Department consumes approximately 20 per cent. of all the coal produced in the Dominion.

The average consumption of coal per week during the year was 9,843 tons, an increase of 1,103 tons per week compared with the previous year.

TIMBER AREAS.

Milling operations at the Department's sawmill at Mamaku were resumed on the 15th June, 1936, after a period of inactivity covering one year and ten months.

There was no timber on hand when the mill resumed operations, the stock having previously been disposed of.

The logging account shows that 5,514,936 superficial feet of timber (log measurement) were felled and crosscut, as compared with 3,985,133 ft. (log measurement) for the period of a little less than ten months worked during year ended 31st March, 1937.

The milling account discloses that a total of 3,855,167 superficial feet of sawn timber was produced, as compared with 2,897,056 superficial feet for approximately ten months' operations in 1937. During the year 3,842,736 superficial feet of timber was issued or sold. The operations for the year disclose a net profit of £3,704.

Not for long will the Department be able to continue to draw its supplies from Mamaku as the area is now nearing the end of its productive life. Accordingly the necessary arrangements have been made to establish a new mill on an area of approximately 1,500 acres of bush land owned by the Department and situated thirty-six miles from Putaruru on the Putaruru-Taupo Main Highway. This area is known as the Maroa Block, and contains approximately 45,000,000 superficial feet of rimu, matai, and totara timbers. The erection of the new mill and the work of assembling the necessary plant and machinery is being pushed ahead, and it is anticipated that major cutting operations will commence early in 1939.

The Department's timber area at Pokaka, on the Main Trunk Line, is now being operated under license to private interests.

FORESTRY BRANCH.

No major developments have taken place during the year, the work of the Branch having been largely directed towards the consolidation of the areas already taken up and in general maintenance-work.

At Athenree tree-planting operations were continued, and as at 31st March, 1938, the total area actually established in trees was 2,044 acres.

At the Rotorua eucalyptus plantations work of a general cleaning-up nature was undertaken. Certain of the trees adjacent to the Rotorua Railway-station were endangering the power-lines and railway dwellings in the vicinity, and opportunity was taken of the presence of the plantation maintenance gaug to have these felled. For the greater portion of the year general maintenance-work has occupied the plantation maintenance gaug at the Waharoa, Matamata, and Foxton plantations. At Foxton the intention is to plant parts of the old and burnt-out plantations during the winter months of the present year.

At Lower Hutt an area of railway reserve comprising approximately 60 acres of steep hill country on the western side of the Hutt Railway-station has been set aside for tree-planting purposes. Unemployed relief workers are engaged in clearing the gorse and undergrowth which at present covers the area preparatory to tree-planting operations being commenced at an early date. The seedlings required for this project, as well as those required for planting-out purposes at the Foxton plantations, have been raised at the Woburn Tree Nursery.

In the South Island cutting operations were continued at the Rolleston, Burnham, and Chertsey plantations. From the two former plantations 1,498 cords of firewood have been obtained during the last two years. At Chertsey plantation the remainder of the pine wood, some 490 cords, was sold to outside interests.

The tree-planting and other work of the Branch has been carried on with much success during the year, the favourable season having facilitated the nursery and planting operations generally.

WORKSHOPS.

The number of locomotives in service as at 51st March, 1958, was the same as that for the previous year—viz., 559 steam, 11 electric, and 5 electric-battery shunting engines, a total of 575. Eighteen petrol shunting-units were in use at the close of the year.