NAURU AND OCEAN ISLANDS PHOSPHATE.

REPORT OF SIR ALBERT ELLIS, Kt., C.M.G., NEW ZEALAND COMMISSIONER, BRITISH PHOSPHATE COMMISSION.

Details of operations at Nauru and Ocean Islands for the nineteenth year under Government ownership are supplied herewith.

Shipments compare with the two previous years as follows:-

Nauru Ocean Island	• • • •	 • •	1936–37. Tons. 577,600 429,000	1937–38. Tons. 836,250 329,850	1938–39. Tons 924,250 300,267
Total		 	1,006,600	1,166,100	$\phantom{00000000000000000000000000000000000$

The totals for the two former years established successive records considerably above any previous year, and it is confidently expected that another record will be set up by the current year's work. Actually 1,077,300 tons had been shipped up to 6th June.

The distribution of shipments for the three years is as follows:-

		1936-37.	1937-38.	1938-39.
		Tons.	${f Tons.}$	Tons
United Kingdom	 	 17,225	15,650	61,500
Australia	 	 683,475	771,150	818,020
New Zealand	 	 243,400	290,300	293,047
Other countries	 • •	 62,500	89,000	51,590
		1,006,600	1,166,100	1,224,517

The proportion of output coming to New Zealand is 23.93 per cent. for the current year, as compared with 24.18 per cent. in 1936–37 and 24.9 per cent. in 1937–38. The Dominion's requirements throughout the year have been fully met, and the somewhat reduced shipments are owing to a falling off in demand through various causes, the principal one being seasonal conditions. It is anticipated that consumption will again be on the upgrade next season.

During the year under review very favourable weather for operations was experienced at the Islands, though an unusually prolonged drought caused exhaustion of fresh water supplies, necessitating a heavy call on the condensing-plants. A number of shipments of water from down south materially helped to tide over the emergency. There have recently been useful falls of rain, and the position as to fresh water has eased up. Throughout the year the health of the Island staffs and labourers has been good, and there have been few labour troubles.

The mining, transport, artificial-drying plants, &c., have rendered excellent service at both Islands, and the shipping arrangements have met all requirements. Loading an 8,000 ton vessel at Nauru cantilever in the daylight hours of one day is now quite a common occurrence. In view of the expending demand for phosphate, further plant is being installed.

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The Commission's m.v. "Triaster" and s.s. "Triona" continue to make fast trips between Australia and New Zealand and the Islands, the former having now delivered a total of forty-seven cargoes and the latter eighty-one in the two countries, besides doing any necessary mooring and labour-recruiting work at the Islands. The m.v. "Trienza" and "Triadic," sister ships owned by the Commission with a carrying-capacity of 9,300 tons, entered the trade in April and July, 1938, and, making fast trips, have already delivered fifteen and eleven cargoes respectively.

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