

1895.  
NEW ZEALAND.

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# MINES STATEMENT.

BY THE HON. A. J. CADMAN, MINISTER OF MINES.

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Mr. SPEAKER,—

After the general depression in mining which has existed in several districts for years past, it is gratifying to me to be able to state that the prospects for the future development of our mineral wealth present brighter aspects, and are of a more encouraging nature than have prevailed for a long time past. The cause of this depression may be attributed to the want of sufficient capital to properly prospect and open up quartz-mining properties. Especially has this want been felt where operations have to be undertaken at deep levels, and large quantities of water have to be contended with. On the other hand, in the alluvial drifts the scarcity of water limits the extent to which hydraulic-slucicing operations can be carried on.

In opening out quartz-mines, and in the early stages of working them, comparatively little capital is required to make the enterprise remunerative. The gold which is found near the outcrops of the lodes is generally in a free state, and not so much associated with baser minerals as it is at a greater depth. Moreover, the lodes so far have proved richer near the surface than at the deeper levels. The profits derived from working the mines when they were first opened up were consequently greater than at present, while the cost of prospecting at that time was very much less. Some of the quartz-mines which have been opened for the last eighteen years have now reached such a depth as to require powerful machinery to work them. This involves a considerable outlay, which, together with the cost of carrying on extensive prospecting operations and opening out the mines at deep levels, has been beyond the means of most of the mining companies, which have heretofore principally consisted of local shareholders.

The large demand for properties by English capitalists who are anxious to invest their money in mining, and who are now providing funds for opening up some of the older mines in which operations have been suspended for a considerable time past, will be the means of expanding the quartz-mining industry and giving such an impetus to mining generally as has not been felt since the early days of the Thames and Reefton fields. It is, however, asserted by foreign capitalists that sufficient inducement is not given for investing large sums of money in mining ventures, as the tenure is too limited, and the Legislature does not provide sufficiently large areas of ground in one claim. There can be no doubt that our method of quartz-mining in the past has been of a primitive nature. Experience is teaching us that, with our system of forming numbers of companies with very limited capital, each having a secretary, mine-manager, and, on an average, only from six to ten miners, it is impossible to make dividends for forty or fifty shareholders. It is therefore proposed to introduce legislation to meet the views of capitalists, in the direction of giving them extended areas for their operations. It will be for the House to express its opinion on this subject when the Bill is introduced.