

There have been for some years only two producing quartz-mines of any significance, the Martha and the Blackwater, and while both these mines show a slight increase in production they are both still suffering from acute labour shortage and the number of men employed at each mine has remained practically constant throughout the year. Both mines have mechanized their operations as far as possible, and accordingly increased production is dependent entirely upon the recruitment of additional labour.

Prospecting of quartz reefs has been at a standstill for many years and there has been no move to reopen old mines other than an attempt to enlist finance for this purpose from overseas sources.

Fifteen dredges were in operation during 1947, twelve on the west coast of the South Island and three in Otago and Southland. During the year, the Blackball Creek dredge and the Redjack's dredge of Associated Gold Dredges, both of which were situated on the west coast, ceased operations, while at the present time operations have been suspended by three further dredges, reducing the number operating in the west coast to seven. It is possible that some of these dredges may be transferred to new areas.

At the present time a new dredging company is re-erecting on an area on Big River near Blackwater Creek the Nemona dredge that ceased operations some years ago.

However, it is apparent that areas suitable for exploitation by this smaller type of dredge are becoming increasingly difficult to locate. Undoubtedly the future of this section of gold-mining lies with the high-capacity dredges, seven of which were responsible for producing 81 per cent. of the gold obtained from dredging.

Most of these dredges have a comparatively long life ahead of them, a life which in some cases has been lengthened by the acquisition of additional areas. The check boring of two areas that remained dormant during the war years is now proceeding, and if satisfactory results are obtained two additional dredges of this type will be constructed. Beyond this it is difficult to foresee further progress, as there was an intensive prospecting programme for dredging areas carried out in the years immediately preceding the war.

Production from alluvial mines has been steadily decreasing for many years and further decline seems inevitable.

Deposits suitable for this type of mining are now approaching exhaustion, while there are also difficulties in securing adequate water-supplies owing to their diversion to other uses such as irrigation.

During 1947, 221,984 oz. of silver, valued at £53,840, were produced, as compared with 224,341 oz., valued at £59,707, in 1946. Practically the whole of this output was obtained from the Martha Mine.

The following table shows the production of the principal quartz-mines, dredges, and alluvial mines for the year ended 31st December, 1947. It will be noted that over 87 per cent. of the total production of gold is obtained from two quartz-mines and seven high-capacity dredges :—

—	Ore, in Tons.	Development, in Feet.	Men employed.	Gold (Ounces).	Silver (Ounces).	£(N.Z.).
<i>Quartz-mines</i>						
Martha	108,747	4,622	481	28,983	220,169	363,966
Blackwater	22,915	1,838	134	8,168	..	87,248
Callery Party, Macrae's Flat	1,052	..	4	227	..	2,441
Sundry .. ..	..	..	13	118	73	1,169
Totals .. ..	..	..	632	37,496	220,242	454,824