

GOLD AND SILVER MINING

Production of bullion during the year 1948 amounted to 326,466 oz., valued at £949,760, a decrease in quantity of 7,778 oz. and a decrease in value of £314,617 as compared with the preceding year.

The gold content of the bullion is estimated at 93,903 oz., valued at £896,173, and the silver content at 232,563 oz., valued at £53,587.

The estimated gold-production for the past twenty years has been as follows :

Year.	Oz.	Year.	Oz.
1929	117,775	1939	178,955
1930	120,931	1940	185,665
1931	129,861	1941	174,656
1932	166,354	1942	165,986
1933	161,755	1943	149,150
1934	160,248	1944	142,287
1935	165,277	1945	128,364
1936	164,575	1946	119,271
1937	168,487	1947	112,260
1938	152,050	1948	93,903

Gold-production showed a decline in 1948 of 18,357 oz. compared with the previous year and fell below the 100,000 oz. mark for the first time since the year 1860.

Production from quartz-mines (37,135 oz.) shows a decrease of 361 oz., from dredges (54,644 oz.) a decrease of 16,887 oz., and from alluvial mines (2,124 oz.) a decrease of 1,109 oz.

During the past few years, dredging has been responsible for the greater proportion of the gold-production, and the over-all drop in output is due mainly to the decline from this form of gold-mining.

Eleven dredges were in operation during the year—nine on the West Coast and two in Otago. Before the end of the year three dredges on the West Coast abandoned operations, thus further reducing the number of working dredges. It is unfortunate that the largest producing dredge in New Zealand, the Arahura, recently suffered a serious accident which will put it out of commission for a considerable period. A small dredge in Southland is to resume operations on a new area, and on the West Coast the Premier Gold Dredge, previously known as the Nemona, has been re-erected on an area at Big River and will be in operation this year. The exhaustion of ground suitable for this form of mining, the higher cost of the construction, operation, and maintenance of dredges, and the stringent conditions applied where farm land is concerned have all combined to render new dredging propositions unattractive.

As a consequence there has been little activity in prospecting for new dredging areas and such work as has been carried out has mostly been directed towards the definition of those sections of the original claims which are still payable.

Production from quartz-mines was maintained during 1948 practically at the level attained in 1947, despite difficulties due to shortage of skilled labour. For some years there have been only two mines of any consequence, the Martha at Waihi and the Blackwater near Reefton, and the Martha has been responsible for over 70 per cent. of the output of gold from quartz-mines. Although the Martha ceased active development work many years ago and operations have been mainly of a reclamation nature, it has maintained its position as New Zealand's main gold-producer. The day when exhaustion of ore would compel the termination of mining operations has been in sight for some time, although the recent increased price of gold brought about by the devaluation of sterling may have the effect of prolonging the life of the mine.

Up till the end of 1948, bullion to the value of £24,147,563 9s. 3d. has been produced from the Martha Mine and dividends totalling £6,916,748 16s. 6d. have been paid, so that it must be accounted one of the great gold-mines of the world. In its day it has contributed much to the economy of New Zealand.