

GOLD AND SILVER MINING

Production of bullion during the year 1949 amounted to 317,473 oz., valued at £890,588, a decrease in quantity of 8,993 oz. and a decrease in value of £59,172 as compared with the preceding year.

The gold content of the bullion is estimated at 84,874 oz., valued at £836,001, and the silver content at 232,599 oz., valued at £54,587.

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

Year.	Oz.	Year.	Oz.
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	119,270
1937	168,487	1947	112,261
1938	152,050	1948	93,903
1939	178,955	1949	84,874

Gold-production showed a decline in 1949 of 9,029 oz. Of the total production, quartz-mines accounted for 36,432 oz., a decrease of 703 oz., dredges for 47,000 oz., a decrease of 7,644 oz., and alluvial mines for 1,442 oz., a decrease of 682 oz.

The increased price of gold brought about by the devaluation of sterling and the remission of taxation upon production have materially bettered the position of gold-producers. Otherwise it is likely that the decline in gold-production for 1949 may have been greater, while the future of the whole industry could only be regarded as bleak.

In particular is this true of quartz-mining. For many years there have been only two mines of any consequence, the Martha at Waihi and the Blackwater near Reefton, and the lives of both mines must have been prolonged by the altered circumstances. In fact, the Martha was upon the point of suspending all mining operations, and the respite afforded this company by the increased price of gold has been very welcome. In the case of the Blackwater, the incentive to resume development in depth has been restored, and provided additional labour can be recruited to provide an adequate force, the mine should continue in production for many years to come. As in past years, there has been no serious move to develop new quartz-mines or to reopen old and abandoned mines, so that generally the future of quartz-mining in New Zealand must be regarded as limited.

For many years gold recovered by dredges has been the mainstay of production, and the decline in the total output of gold is in great part due to the reduction from this form of mining. This reduction, in turn, can be accounted for by the foundering of the Arahura Dredge, which resulted in the dredge being out of commission for the last ten months of the year, and for the reduction in running-time of the Ngahere dredge through water escaping from the dredge pond when old underground workings were encountered. Had both these dredges been in commission for the full year, production of gold from this form of mining would have been maintained at the level reached in 1948. Nine dredges were active for some part or other of the year, six on the West Coast and three in Otago and Southland, the third dredge in the latter district being a small dredge which resumed operations after being out of commission for some time. By the end of the year, construction work on the new Premier Gold-dredge was complete and early in this year active dredging operations were commenced on an area at Big River in the Reefton district. It has now been decided to refloat and recondition the Arahura Dredge so that it can resume active operations, and when this is accomplished the fleet of dredges will