5 C.—2.

On the alluvial goldfields of Nelson and Marlborough operations have been carried on with diminished returns. Some new mining enterprises, however, are in process of development which may be expected to improve matters in these mining districts.

## QUARTZ-MINING.

It is very gratifying to inform honourable members of the satisfactory progress and development of the quartz-mines of the Dominion during the period under consideration, and there are indications of a long period of improvement and prosperity in this the most important branch of our mining industry. The present prospects of future expansion with profitable results are exceedingly promising.

The bullion produced by our quartz-mines during the year showed an increased value of £49,849, and the dividends paid an increase of £36,438, as compared with the previous year. The quantity of ore treated was 693,006 tons, as against 654,307 tons during the previous year, being an increase of 38,699 tons for the period. The bullion-value of the ore produced was £1,526,861, as against £1,477,012, the value

of the ore produced during the previous year.

There was a decrease of 168 in the number of men employed in the northern quartz-mines as compared with the number employed during the preceding year. This reduction is accounted for by there being 230 fewer men employed at the Komata Reefs and Crown Mines, while the Waihi Grand Junction has increased its employees by sixty men, and small increases have taken place in other mines.

The West Coast quartz-mines had a very successful year, with substantial increases in output, bullion-value, and the number of men employed. During the year 108,136 tons of ore were treated, as against 95,156 tons during the previous year; the bullion produced being £214,876, as against £160,156 during 1908, being an increase of £54,720. The number of men employed in the West Coast quartz-mines during the year was 755, as against 675 during the previous year. Considerable activity and renewed energy was displayed in connection with quartz-mining in the Inangahua district, the main shaft of the Wealth of Nations having been sunk to a depth of 1,861 ft., and that of the New Big River Mine to a depth of 1,575 ft.; and active operations at these deep levels are now carried on with satisfactory results in both mines.

The Blackwater Mines (Limited) carried out extensive development-works in the mine, as well as substantial additions to the crushing plant, during the year. This new mine is now sufficiently developed to be a regular producer. Last year 29,955 tons of ore were treated at the battery, as against 9,169 tons during the preceding year; the bullion produced being £73,281, as compared with £17,647 during 1908. Judging by the energetic progress made in developing the underground workings of this mine, and the exceedingly satisfactory increase of 55,634 in the value of bullion produced last year as compared with that of the previous year, considerable expansion in the ore-production from this mine may be reasonably anticipated in the immediate future.

In the Otago Mining District the Barewood Gold-mining Company treated 5,477 tons of ore, for a return of £6,518, during the year, and the Taitapu Gold-mining Company, Collingwood, treated 1,299 tons of ore for a yield of £4,957, and paid £2,105 in dividends. Numerous quartz-mines in the experimental stages of development are in active operation in many parts of New Zealand, and considerable progress in prospecting various promising propositions on our auriferous-quartz fields in different parts of the Dominion was energetically carried on during the

year.

Doubtless, the most convincing demonstration of the satisfactory progress and continued prosperity of our quartz-mining industry that I can place before honourable members is the fact that the ore treated during the year increased from 654,307 tons to 693,006 tons, and the value of bullion produced from £1,477,012 to £1,526,861, and the dividends paid from £561,833 to £598,271. It will readily be conceded that, when nearly one-third of the value of the bullion produced during the year was paid in dividends, a most satisfactory condition obtains in this branch of our mining industry.