

(1.) QUARTZ-MINING.

The following is a statement showing the tons of ore treated, the value of bullion produced, and the amount of dividends paid by quartz-mining companies in each of the inspection districts during the years 1919, 1918, and 1917:—

Inspection District.	Statute Tons of Ore treated.			Value of Bullion.			Dividends paid (by Registered Companies only).		
	1919.	1918.	1917.	1919.	1918.	1917.	1919.	1918.	1917.
Northern	226,614	259,103	298,396	£ 475,999	£ 615,064	£ 751,974	£ 116,431	£ 178,369	£ 195,619
West Coast	58,937	86,495	105,539	97,712	127,846	158,007	2,400	15,150	7,450
Southern	506	1,690	5,381	310	821	1,818
Totals	286,057	347,288	409,316	574,021	743,731	911,799	118,831	193,519	203,069

The average value per ton of ore treated during 1919 amounted to £2 0s. 1d.

The following is a statement of the production, dividends declared, and the number of persons employed by the principal gold-quartz mining companies during 1919:—

Name of Company.	During 1919.			Dividends paid.		Number of Persons ordinarily employed during 1919.
	Quantity of Quartz treated,	Value of Bullion.	Average Value per Ton.	1919.	Total to End of December, 1919.	
Northern District—	Statute Tons.	£	£ s. d.	£	£	
Waihi Gold-mining Company (Limited)	160,511	303,586	1 17 9	99,181	5,338,057	578
Waihi Grand Junction Gold-mining Company (Limited)	55,442	97,899	1 15 3	..	267,064	285
Talisman Consolidated (Limited)	3,655	46,598*	12 15 0	17,250	1,150,972	89
Muir's Gold Reefs (Limited)	4,100	17,703	4 6 4	50
West Coast District—						
Blackwater Mines (Limited)	24,969	46,136	1 16 11	..	174,994	113
New Big River Gold-mining Company (Limited)	4,254	13,198	3 2 6	2,400	103,200	37
Progress Mines of New Zealand (Limited)	15,980	20,748	1 6 0	..	326,562	70
Murray Creek Gold-mining Company	4,512	9,975	2 4 3	40
Other quartz-mines throughout New Zealand	12,634	18,178	1 8 9	..	21,727	161
Totals	286,057	574,021	2 0 1	118,831	7,382,576	1,423

* The final return on ceasing milling operations is included in this total.

The following is a brief summary of the operations at the principal mines during the year; more detailed references are contained in the reports of the Inspectors of Mines appearing in Annexure A accompanying this report.

Northern Inspection District.

Waihi Gold-mining Company (Limited).—There has been no development carried out at the low level (No. 12) since March, 1917, but late in the year it was unwatered, and driving east on the Dreadnought lode has just been resumed. At No. 11 level a large chamber (120 ft. by 20 ft. by 14 ft. high) has been cut out, in which is to be installed the powerful electric turbine pumps expected to arrive this year from England. The directors' annual report states that the long-deferred delivery of these pumps and the shortage of labour and coal has accounted for the delay in unwatering the low level to resume driving. The ore reserves have been further drawn upon during the year, and are now estimated at about 1,000,000 tons of a grade lower by 5s. 6d. per ton than the estimate of the preceding year. During the present year, owing to the increased price of supplies and higher wages of employees, the cost of production will be raised by 5s. per ton, so that a large quantity of ore previously considered payable at pre-war prices for gold and silver is now unpayable. Whilst greatly increased prices for gold and silver compensated the higher costs at the mine, any reduction of these prices during the present year would seriously affect the company's operations.

Early in the year the fine hydro-electric power station at Horahora was purchased by the Government, but the company retained the right of an annual supply of 2,500 kilowatts at an agreed price per unit.

Waihi Grand Junction Gold-mining Company (Limited).—Until the low level of the Waihi Mine had been unwatered very little development could be undertaken below No. 8 level, with the result that the ore reserves on the Empire and Royal lodes had been greatly diminished. During the year the two companies met in conference and an arrangement for the next three