

THE WEEKLY GRAPHIC

AND NEW ZEALAND MAIL

VOL. XLV.—NO. 19

NOVEMBER 9, 1910

Subscription—25/ per annum; if paid in advance, 22/ Single copy—3d. per copy.

The Week in Review.

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NOTICE.

The Editor will be pleased to receive for consideration Short Stories and Descriptive Articles, illustrated with photos, or suggestions from contributors.

Bright, terse contributions are wanted dealing with Dominion life and questions.

Unless stamps are sent, the Editor cannot guarantee the return of unsuitable MSS.

The Bullfinch Find.

THE Bullfinch find has thrown the community of West Australia into a delirium of speculation. The sleepy, slow old town of Southern Cross has been galvanised into life, the hotels are crowded, motor cars rush through the streets, the telegraph officials are overwhelmed by the rush of urgent work, and the mining office is packed with men applying for leases, or transacting other mining business. There seems no doubt that the Bullfinch is marvellously rich. Already a crushing of 324 tons has resulted in a yield of 2304oz., worth £9789, and it is stated that an offer of £300,000 for the mine has been refused. But however rich the mine may be, there is certain to be heavy loss and much disappointment in store for a large proportion of those who are taking part in the present rush. Prices in a boom camp are always above any sort of industrial warrant. Thousands of pounds are often poured into claims which have never had any careful examination by competent men. Fortunes are frequently made by local promoters and operators out of claims which cannot show ten feet of actual work. There is a danger also in the best and most stable of mines. In the majority of cases, a mine ought to pay unannually perhaps twenty per cent of the investment to be profitable. That is to say, the actual value of any mine is rarely over five times actual dividends, paid after expenses of operation. How many mines are capitalised on any such real basis as that?

Gambling in Stocks.

For answer we have only to remember how stocks that are the best dividend-payers often sell at ten or twelve times the face value of the annual dividends. If the mine hits a brief stroke of luck the stocks will climb yet higher. In most other investments we do not look to the interest to pay us back our principal; in a mine we must look to dividends to pay us back our principal and interest also. When the mine is done our principal is gone. Investors do not always stop to reflect on this point. In all booms, whether mining, land, or rubber, the main idea is to get rich as quickly as possible while the boom lasts. It has been estimated that in the first four months of the present year £14,000,000 were invested in different rubber companies, and the people of England are already pledged to supply some

£14,000,000 to this strange market. Very few people who buy expect to pay for the share; they simply buy to sell again. For it is a gamble in which you may go far without much cash. You buy your stock and pledge yourself to pay for it at a settlement day, weeks, or months ahead, with no present liability at all. Then you go home and hope that the price will go up. An English writer has vividly described the scene: "Every day, long hours after and before the regular market is at work, a money-mad crowd of all sorts and conditions of men besieges the offices of Mining-lane and the other little streets where men deal in paper tokens of value. Gamblers from the race-tracks jostle clergymen from the provinces; silk-hatted peers touch elbows with little clerks from the mercantile rows; priest and courtesan stand side by side to sign contracts for shares of stock in unknown companies. There is no class in England that has not been infected—the clergy, as usual, leading the race."

Business Speculation.

The gambling mania has always carried disaster in its train. The South Sea Bubble brought ruin to thousands, the mining and industrial gamble of 1825 ended in a panic in which more than seventy London banks went down, while the railway madness of twenty years later was more disastrous in the results than anything that had preceded it. A writer of the period has thus portrayed the results of this gamble in railway stock:—"It is the conviction of those who are best informed that no other panic was ever so fatal to the middle class. It reached every hearth; it saddened every heart in the metropolis. There was scarcely an important town in England but what beheld some wretched suicide. Daughters delicately nurtured went out to seek their bread; sons were recalled from academies; households were separated; homes were deserted by the emissaries of the law. There was a disruption of every social tie. The debtors' goals were filled with promoters; Whitecross-street was filled with speculators; and the Queen's Bench was full to overflowing. Men who had lived comfortably and independently found themselves suddenly responsible for sums they had no means of paying. In some cases they yielded their all and began the world anew; in others they left the country, laughed at their creditors, and defied pursuit."

The Gaming Bill.

In New Zealand gambling is said to be the national vice, and certainly the amount of money spent on horse racing would seem to bear this out. We give this week a full-page map of New Zealand, showing all the registered racing and trotting clubs in existence. From this it will be seen that there is hardly a township of any size but has its meeting for trotting or racing. The totalisator investments for 1909-1910 amounted to no less a sum than £1,540,000. The number of racing days for the same period was 323, and the number of

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totalisator permits 167. From this it will be seen, as the Prime Minister pointed out, that if Sundays are left out, there is more than one racing meeting for every day in the year in New Zealand. The Gaming Bill sought to remedy some of the great evils of our present system by abolishing credit betting, by abolishing the bookmaker, and by curtailing the issue of totalisator licenses. Then it seemed that the matter was in danger of being shelved, and many thought that some loophole would be found for the bookmaker, who was the worst feature of our system, and who had been unreservedly condemned by racing men, judges, business men, and police.

Suggested Reforms.

The country was none too pleased at the delay which took place over the matter of the Gaming Bill, nor was the composition of the Special Committee of the House, to whom the Government referred the Bill, considered entirely satisfactory. There were said to be on it many men who had no real knowledge of the ethics of racing, whilst Mr. Carroll, who has a complete grip of the issues, was omitted. In one point our racing laws urgently needed amendment. We wanted the number of racing days reduced, not merely the number of totalisator permits. Everybody recognised that the number of racing days could easily be curtailed by one-third, and it was felt that this would cause less irritation in sporting circles than the whittling down of permits. The people have declared that there is far too much racing in New Zealand; that sport in general, and racing in particular, eats too much into the daily life of the people, and that immediate remedial action is called for. The Dunedin "Evening Star" proposed that so far as the racing clubs are concerned, no club which could not afford to give £300 per diem by way of stakes should be allowed to enrich itself through the medium of the totalisator, also that no club should race more than nine days in one year, and that the number of sprint races should be considerably curtailed. These races are provided mainly in the interests of the machine, and if our bloodstock is to be improved, races that encourage quality and endurance must be the mainstays of future programmes.

The Committee's Report.

Above all, is it necessary that the bookmaker qua bookmaker must be passed out absolutely and entirely. No possible loophole must be left by which he can carry on his business either in the byways of our cities or on courses where there is no machine. The Select Committee reported that it should be made the duty of every racing club (not only the clubs authorised to use the totalisator) to use all lawful means to prevent bookmakers from plying their calling on the course. This is necessary in view of the fact that immense sums are wagered with bookmakers at small meetings which have no totalisator permits. It is said that £25,000 were wagered last year with bookmakers at some half-dozen of these smaller meetings. The penalty for making or offering to make any bet or wager on any racecourse is to be a fine of not less than £20 and not more than £100 for a first offence, and imprisonment for a period not exceeding three months for any subsequent offence. All the clauses to restrict the issue of totalisator permits were struck out, and the number of days on which the totalisator may be used was limited to 250 days a year. The Committee has thus followed the popular desire to reduce the number of racing days rather than the number of permits. The suggestion of the Dunedin "Star" has been followed in regard to restricting the number of racing days for any one club, by a clause enacting that no race meeting shall extend over a longer period than eight days. It will be pretty generally conceded that the Special Committee has met the wishes of the people, and those who objected to the personnel of the Committee will admit that it has acted wisely by declining to restrict the issue of licenses, a course that was bound to cause friction; and that it has done its best to abolish the bookmaker and curtail the operations of the machine. Extremists will not be entirely pleased, but the moderate man will feel that the worst features of racecourse gambling have been eliminated.

The Dullness of Life.

One reason for the prevalence of gambling may probably be found in the dullness of life in many parts of New Zealand. In some bush camps the men have nothing to do when the day's work is finished except play cards or read the weekly paper. They get tired of the eternal cribbage and euchre, and when they have read the weekly paper