

GOLD AND SILVER MINING.

The value of the bullion exported from our gold-mines during 1910 amounted to £2,067,890, being a decrease of £119,882 as compared with the previous year. This decline, as already explained, will be found, on reference to Table 2 annexed, to be almost entirely confined to the alluvial goldfields of the West Coast, Nelson, Otago, and Southland, and, being due to a phenomenal drought, is not likely to be recurrent. It must, however, be recognized that many of our alluvial goldfields are gradually approaching exhaustion. On the other hand, the more permanent industry of quartz mining has improved, as here shown :—

Branch of Mining.	Value of Bullion produced.	
	1909.	1910.
Quartz	£ 1,526,861	£ 1,564,189
Alluvial Sluicing	333,235	188,464
Dredging	327,676	315,237
	2,187,772	2,067,890

QUARTZ-MINING.

It is gratifying to inform honourable members that satisfactory progress and prosperity prevailed generally in this the most important branch of our mining industry. During the year under review, 745,043 tons of ore were treated, from which bullion to the value of £1,564,189 was obtained, and dividends amounting to £597,127 were declared. Increased production has been recorded at the Coromandel, Waihi, Karangahake, and Inangahua mines, but at the Otago and Thames mines a decline has taken place.

While last year I had to draw honourable members' attention to a decrease of 168 in the number of men employed, it is on the present occasion satisfactory to note an increase of 586 in the number of men engaged in this branch of the industry.

The Waihi Mine, after a long period of successive annual increases, has now for the first time shown a decrease in its yearly production of bullion. During 1910 the quantity of ore treated exceeded that of the previous year by 25,207 tons, but ore of a lower grade than formerly was apparently dealt with, and a decline in value resulted. Active prospecting operations are now being carried on with a view to proving the mine at lower levels and in other sections. Satisfactory progress is being made in carrying out the Horahora hydro-electric scheme, for which the Waihi Company has obtained a forty-two years lease from the Crown, the power-station at the Horahora Falls being about forty-eight miles distant from the mine by the route of the transmission-line.

The Waihi Grand Junction Gold-mining Company (Limited) appears to have had a prosperous year, their gold-yield having been materially increased, and a great deal of profitable development has been carried out. The valuable lodes which extend from the Waihi Mine into this company's property are now being operated on, and it is anticipated that, owing to the pitch of the lodes, a greater depth will be attained at this mine on payable ore than has hitherto been proved at the Waihi Mine.

The Waihi Extended Gold-mining Company and the Waihi Reefs Consolidated (Limited), whose properties are situated to the eastward of the Grand Junction Mine, are energetically carrying out development operations for the purpose of locating the Waihi reef-system, on the lines of which these companies are operating.

The Talisman Consolidated (Limited) have again improved their annual bullion-production, notwithstanding that during the year water troubles and a temporary loss of power owing to a fire somewhat retarded their progress; but these obstacles having been overcome, a continuity of the satisfactory operations carried out by this company may be anticipated. At the lowest level in the mine winzes sunk to a depth of 80 ft. have proved payable ore of considerable length. This company are now engaged reopening the Woodstock section of their property.

At Coromandel the Old Hauraki Gold-mining Company, formerly a great gold-producer, has re-entered the list of dividend-payers.