The following statement shows the quantity and value of bullion-production, the dividends paid by registered companies, and the number of productive claims and gold-dredges during 1935 and 1934:—

Class of Gold-mining.	Production of Bullion.				Dividends paid by Registered Companies.		Number of Productive Claims and Dredges.	
	1935.		1934.		1935.	1934.	1935.	1934.
	Oz.	£	Oz.	£	£	£		
Quartz	534,048	778,517	475,230	699,273	89,081	155,099	72	73
Alluvial	37,134	269,106	43,541	306,248	7,279	11,222	4,411	4,357
Dredging ..	32,062	252,423	24,092	190,319	34,920	41,406	17	12
Totals ..	603,244	1,300,046	542,863	1,195,840	131,280	207,727	4,500	4,442

PROMOTION OF GOLD-MINING COMPANIES.

Since I have held my present portfolio I have been appalled by the information that has reached me concerning the tragic history of many gold-mining companies, and I feel that I would be gravely lacking in a sense of public duty if I did not make some reference to the question.

A perusal of the Mines Statements submitted to Parliament during the past forty-five years shows that many of my predecessors in office have gained impressions similar to my own, and I do not think I could do better than quote some of the very sound advice which has from time to time been given by previous Ministers, and most of which is just as applicable to conditions to-day as it was to the conditions prevailing at the time it was written.

In his statement for 1891 the Hon. R. J. Seddon said:—

> "While admitting that many persons have lost money in mining companies, I would point out that this is due in a great measure to reckless investment by purchasing shares far above their legitimate value and by persons taking up shares in companies where a large amount has been given away in scrip without any money being paid for the same. Where gold-mining is conducted on commercial principles it is a safer investment for capital than many other industries, as the marketable value of the produce does not fluctuate."

In the statements of 1896, 1897, 1898, and 1899, all by the Hon. A. J. Cadman, the following extracts appear:—

> "It is impossible from the nature of things to separate the speculative element from mining, but I am convinced that if greater care and judgment were exercised in the prospecting and development of mining properties to ascertain their value before undertaking the formation of companies to work them the industry would partake more of the nature of an investment than a mere speculation."

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> "*Over-capitalization.*—In the truest interests of the mining industry I deem it my duty to direct attention to the over-capitalization which has taken place in connection with the flotation of some of the mining properties of the colony on the European market. The absolute necessity of investors ascertaining that the working capital of mining ventures bears an adequate ratio to the amount of capital actually subscribed cannot be too strongly insisted on."

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> "Many of the claims which have been taken up, especially for quartz-mining, were submitted to the public with glowing reports from so-called mining experts, with the result that the mining industry has been blamed for the misdirection and loss of capital. The chief cause of the disappointment, however, lies in the fact that too much credence was placed in the reports of inexperienced and unscrupulous persons."

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> "I cannot, however, too strongly impress upon all persons who may be interested in gold-mining the advisableness of opening up and developing their mines before proceeding with the erection of expensive machinery and appliances for treatment of the ores."

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> "In this connection it may not be out of place if a warning is given to the investing public as to the necessity for a close scrutiny of the prospectuses of some of the companies placed on the market, for in all periods in undue excitement many worthless properties are