

MINING IN THE TE AROHA MINING DISTRICT DURING THE DEPRESSION YEARS

Philip Hart

Te Aroha Mining District Working Papers

No. 103

2016

Historical Research Unit
Faculty of Arts & Social Sciences
The University of Waikato
Private Bag 3105
Hamilton, New Zealand

ISSN: 2463-6266

© 2016 Philip Hart

Contact: prhart1940@gmail.com



THE UNIVERSITY OF
WAIKATO
Te Whare Wānanga o Waikato

MINING IN THE TE AROHA MINING DISTRICT DURING THE DEPRESSION YEARS

Abstract: *Because optimists believed there was payable gold still to be discovered in New Zealand, prospecting was seen as one way of soaking up the unemployed, and a subsidized scheme was established to assist those willing to try their luck. In the Te Aroha district, residents, despite their lack of geological knowledge, and supported by the local newspaper, held great hopes for a mining revival. In contrast, officials and the experts they consulted insisted that these hopes were in vain. After local businessmen and would-be prospectors exerted political pressure on the Minister of Mines, in whose electorate Te Aroha was situated, permission was granted to subsidize parties of amateur prospectors.*

Despite none of these parties finding anything worthwhile, the amateurs continued to claim to know more about the prospects than the experts. Some of the parties did little work, and as it was clear to officials that the subsidies were being wasted, these ceased, despite continued claims about potential discoveries. Some parties continued work, sometimes with private backing, prompting concerns about speculators trying to obtain ground. When a Labour Government came to power, it was no more willing than its predecessor to waste public money on fruitless prospecting. It was clear from the assays taken for both prospectors and experts that the value of the ore left by earlier miners was far too poor to permit a revival in mining, and on that note mining ceased at Waiorongomai

MINING AS A SOLUTION TO UNEMPLOYMENT?

As a solution to unemployment, and because it was assumed much gold remained undiscovered, from the start of the Depression there were calls from throughout New Zealand for government assistance for prospecting.¹ Optimistic newspaper articles encouraged prospecting; for instance, one written by an unnamed 'old miner' was headlined: 'The Search for Gold: Value to Dominion: Modern Mining Methods: Much Untapped Wealth'. Gold had brought prosperity once, and he outlined the present 'necessity and opportunity':

¹ For example, editorial, *Observer*, 1 May 1930, p. 2.

Never in the history of the country has the necessity for gold seeking on a comprehensive scale and on sound lines been so pressing as at present. With the values of other primary products reduced to an almost unprecedented level, gold values have appreciated so materially that every inducement is held out to encourage the production of gold.

He was puzzled by the ‘lack of interest in mining’ compared with earlier days, and was certain that ‘the absorption of labour and the production of gold’ caused by renewed mining ‘would do much to overcome the existing depression and bring renewed prosperity’. Its ‘immense extent of auriferous country’ indicated that the Auckland district had not been adequately prospected, and new finds still occurred in old fields.² Three months later, the newspaper in which his article was printed reported ‘old hands’ coming out of retirement to prospect in ‘various localities’ (not including Te Aroha). ‘Systematic prospecting’ of the Hauraki Peninsula was needed and ‘old hands’ should be asked where to find bonanzas.

“There is hidden treasure and buried treasure in some of the old workings,” said one cryptically. “Whether these will be discovered or not is doubtful. If the new discoveries turn out reasonably payable, they will have fully justified the effort and expense of finding and developing them. Furthermore, bonanza discoveries are always possible when a gold trail is being followed.”³

H.H.A., undoubtedly Henry Hopper Adams Jr, son of Henry Hopper Adams,⁴ made an optimistic forecast in January 1933:

This year should see a great revival in goldmining. Labour costs are reduced, mine and milling supplies and cheaper and better than during previous periods of successful mining, and the value of gold has increased 50 per cent.... Owing to the rise in the value of gold, many known reefs have brought into the pay zone a very large tonnage of ore. For instance, 4dwt of ore, worth 16s a ton previously, has been increased in value to 24s.⁵

² ‘An Old Miner’, ‘The Search for Gold: Value to Dominion: Modern Mining Methods: Much Untapped Wealth’, *New Zealand Herald*, 5 May 1932, p. 6.

³ ‘The Search for Gold: “Old Hands” Resume Quest: The Hauraki Fields: Systematic Prospecting Urged’, *New Zealand Herald*, 16 August 1932, p. 11.

⁴ See paper on his life.

⁵ H.H.A., ‘The Search for Gold’, *New Zealand Herald*, 10 January 1933, p. 12.

Over the centuries, the price of gold had remained stable, especially in England and the United States from 1822 until 1929, but there was a large increase after that date.⁶ Writing of Australian mining, Geoffrey Blainey noted that ‘the price of gold, static for centuries, leaped in 1931 with the deprecation of Australia’s pound and then Britain’s pound. Within three years the price of gold more than doubled to £8 10s an ounce, and all the glamour of the golden metal returned’.⁷ In New Zealand in 1932 the average value per ton of ore treated was £2 16s 3d, compared with £2 2s 4d in the previous year.⁸ Naturally, therefore, unemployed workers saw mining as a potential solution to their economic position.

The government shared the hope that successful prospecting would remove many of the unemployed off its relief schemes.⁹ Rules were devised to ensure adequate supervision of potential prospectors, most of whom were totally unfamiliar with mining techniques, and to avoid helping speculators to obtain ground they would not work.¹⁰ Under the 8A Scheme which operated in Hauraki, men were to be formed into self-contained parties led by experienced but unemployed miners or prospectors, receiving a subsidy of £1 10s a week if married and 15s if single. Should any gold be found, they were required to refund to the Unemployment Board ten per cent of the value won during the period of assistance, up to the full amount provided.¹¹ The Mines Department had to agree that areas were suitable for prospecting, and the men were required to work at least five days a week and provide a report before the subsidy was paid. Each prospector was granted a free assay.¹² Men granted a prospecting license were required to spend £3 a week, which did not disadvantage unemployed men because, as

⁶ Roy W. Jastram, *The Golden Constant: The English and American experience 1560-1976* (New York, 1977), pp. 16, 26-29, 39, 143-144.

⁷ Geoffrey Blainey, *The Rush That Never Ended: A history of Australian mining* (Melbourne, 1964), p. 309.

⁸ *AJHR*, 1933, C-2, p. 19.

⁹ Alec J. Woods, ‘Depression Gold: Unemployment Relief and the Gold Prospecting Subsidy Scheme During the 1930s’ (MA thesis, University of Auckland, 1976), p. 48.

¹⁰ Woods, pp. 48-51, 53, 57-58, 60-61.

¹¹ *AJHR*, 1932, H-35, p. 18.

¹² *Te Aroha News*, 2 March 1932, p. 5.

that was approximately the wage of one man, all the prospector had to do was work his claim.¹³

WAS RE-INVESTIGATING THE TE AROHA DISTRICT WORTHWHILE?

‘Many’ old prospectors drew the attention of the unemployed to the Te Aroha district. ‘Miners still wander through the old diggings and there is a story told that when the Waihi mines fail then Waiorongomai will flourish again’, the local newspaper reported in January 1931.¹⁴ Interested parties publicized the great possibilities for extracting the wealth reputedly contained with the mountain, such as an article provided by ‘a correspondent’, probably Ernest D’Esterre,¹⁵ for the *New Zealand Herald* in March 1932. His account of exploring ‘wild, virgin country’, as the headline described it, is given in full:

Sheer slides falling away into the smoky haze 1000ft below, towering precipices and dizzy slopes up into the mists, and the whole covered with a jungle of forest! That is the nature of the mountains of the Te Aroha range where men are searching for gold. Reefs have been found in that country, and where yesterday the tui and the wild pigeon were the only moving life, to-day the lure of gold brings into those solitudes keen-faced, experienced prospectors.

Everywhere there are reefs, an amazing conglomeration of reefs, going north, south, east and west. Their direction would be puzzling enough but nature, to still further confuse the searcher, has covered the whole with a mat of growth, from tiny ferns to giant timber. To say that all this territory was fully prospected long ago is nonsense. An army of men would not fully prospect it in two years. All that can be said is that fresh information is being brought in every day by the prospectors, and that no man yet knows what he really has got.

It is conceivable that here reefs, like the ribs of a colossal skeleton, run to another reef deep down, but it is also conceivable that storms and the erosion by water for centuries fashioned hollows and mounds and filled them with earth so that vegetation

¹³ J.F. Downey to Under-Secretary, Mines Department, 4 July 1933, Inspector of Mines, BBDO 10046, A902, MM216A, ANZ-A.

¹⁴ *Te Aroha News*, 7 January 1931, p. 5.

¹⁵ See paper on prospectors and investors in the Te Aroha Mining District during the 1930s.

might grow until it covered a gigantic reef from the sight of man. Now he will have to tear up that vegetation, trench and crosscut to see if there is one reef or more, but I found the same colour and texture of quartz at each spot.

This slope of outcrops I have referred to is but one spot in a score I climbed up to or slid down to. Everywhere there are reefs, some showing 2ft wide, and then widening out, others wider still and going down. Outcrops that might be all on one or two reefs, or a dozen, indications that one reef widens suddenly from 4ft to over 24ft.

Gold? Of course, there is gold, but one becomes so interested in the geological puzzles that one loses sight of that interesting question. I went to faces where stone had been broken out, and into drives, to open cuts and to workings at different levels. I selected my own samples anywhere I pleased. I dollied and washed for myself and obtained from a few colours up to a "tail" of gold an inch long from pieces of the stone. There is gold there, but the amazing fact is that it is in a class of stuff that has been passed over in other years and never looked at.

In one place there were two drives at different levels, the only signs of any past working that I could see, and the tailings dump in each case yielded good colours wherever I chose to try this waste. And the reef in the drive is carrying gold! In an open cut I sampled one of the most curious formations I have seen on any field. It is yielding value and some tons of this have been sent out on pack-horses for treatment. There are indications of an important junction just close to this spot, and driving for that will be one of the next works to be undertaken.

The whole area has been pegged out. It would take half a day to go from one peg to another only a few chains away as the crow flies. That is the sort of country it is. The indications are not only good as far as investigation has been made, but they show striking uniformity in several reefs. It is obvious that here is a field worthy of most thorough examination.¹⁶

In February 1932, a *Te Aroha News* editorial claimed that, since large-scale mining ended, 'only fitful prospecting' had been done, and no attempt had been made 'to explore even the surface' between Te Aroha and Waihi. 'Stories are told of a lone digger who made a lucky find of gold way back in the hills some years ago and worked his claim out to his own great profit without ever disclosing the locality of his discovery'. It called for 'a more thorough examination of the possibilities'. The mayor, Robert Coulter,

¹⁶ A Correspondent, 'Search for Gold: The Te Aroha Range: Wild, Virgin Country: Thorough Tests Needed', *New Zealand Herald*, 22 March 1932, p. 6.

Robert Coulter, an auctioneer and grocer, and a future Labour parliamentarian,¹⁷ supported by the Chamber of Commerce, was attempting to organize a prospecting scheme and obtain assistance, and had given the new Minister of Mines, Charles Edward de la Barca Macmillan, ‘an outline of what he has in mind and found the Minister to be greatly interested and willing to give what help he could’.¹⁸

The newspaper seemed aware that stories of successful prospectors were common in all mining districts; without knowing the identity of the ‘lone digger’, their validity could not be assessed. At Te Aroha there are no records of a solitary miner obtaining any profit, far less ‘great profit’, although in December that year an article was published about the great success of an old prospector, unnamed:

This dogged old prospector had sufficient faith to remain on the job for some years and during that time discovered some fabulously rich leaders. Tales are told of how he used to carry down stone in lots of 20lb and 30lb once a week. When he had accumulated a good quantity he would ship it to Australia, his returns yielding him as much as £115 per cwt. A few years ago he died in the Hamilton Hospital, taking with him the secret of the locality of his rich strikes.¹⁹

This story cannot be verified, and the fact that no rich leaders were found during the 1930s indicates either that they had all been broken out or that they were a figment of the local imagination.

In contrast, Mines Department officials considered prospecting there would be a fruitless waste of money and did not encourage it. In May that year, the new mining inspector, John Francis Downey, argued that a revival of mining was unlikely, ‘seeing that it was found impossible to work the mines profitably in the old days, when mining costs were little more than half what they are at present’.²⁰ When the high school board sought to replace Waiorongomai’s residence sites with farms, he ‘gave evidence that the best geological opinion was against the possibility of Waiorongomai becoming active again as a mining centre and said that in his opinion the

¹⁷ See *Evening Post*, 26 July 1941, p. 8, 31 December 1945, p. 6; *Te Aroha News*, 8 January 1946.

¹⁸ Editorial, *Te Aroha News*, 19 February 1932, p. 4.

¹⁹ *Te Aroha News*, 9 December 1932, p. 5.

²⁰ J.F. Downey to Warden, 26 May 1931, Mines Department, MD 1, 6/61, ANZ-W.

preservation of the township area was not required'.²¹ The warden was 'satisfied that any possibility of a revival of Mining' was 'such a remote possibility that it need not be seriously considered'.²² But as the paper on Malcolm Hardy reveals,²³ local men, usually with no mining experience, insisted that large quantities of ore could be mined profitably.

OIL?

As an example of how men unskilled in geology tried to find gold and other minerals, H. Emmett, probably William Henry Emmett, a farmer at Manawaru,²⁴ formerly a resident of Waiorongomai for 20 years, thought he had discovered an oilfield. He claimed that, in about 1896, a relative, Robert Axel Forsman,²⁵ had drilled a 25-foot bore into the section adjoining the junction of the road to Waiorongomai with the one from Te Aroha. 'He drew off about fifty gallons of mineral oil. I was present.... The oil was quite apparent on the surface and was at times drawn off in bottles. There was a smell of gas. In common with others I used the oil in lamps. It was dirty and smoked as it was not refined'. When tested in Sydney for kerosene it was reported to be of poor quality; it was not tested for benzene. 'The spring has since dried up, due no doubt to drainage operations'.²⁶ The director of the Geological Survey considered a small amount of oil or gas was to be expected in buried peat, but was 'astonished' that 50 gallons had been obtained. Boring for oil would be unprofitable,²⁷ a view supported by Downey, who did not want boring to be approved to avoid giving an impression that oil existed and having money obtained from speculators.²⁸ The farmer on whose property the oil was found did not want his land damaged in a futile search. Emmett, Downey claimed, planned to use

²¹ Warden's Court, *Te Aroha News*, 19 October 1931, p. 1.

²² Decision of Warden, 7 November 1931, Mines Department, MD 1, 6/61, ANZ-W.

²³ See paper on his life.

²⁴ See *Tauranga Electoral Roll, 1931*, p. 171; Te Aroha Correspondent, *Auckland Star*, 22 April 1936, p. 15.

²⁵ See *Cyclopedia of New Zealand*, vol. 2, p. 791; *Waikato Times*, 20 August 1940, p. 4.

²⁶ Statement by H. Emmett, n.d., enclosed with Gilchrist Son and Burns to Minister of Mines, 15 May 1931, Mines Department, MD 1, 6/61, ANZ-W.

²⁷ John Henderson (Director, Geological Survey) to Under-Secretary, Mines Department, 5 June 1931, Mines Department, MD 1, 6/61, ANZ-W.

²⁸ J.F. Downey to Warden, 26 June 1931, Mines Department, MD 1, 6/61, ANZ-W.

‘equipment that would be likely to prove insufficient and inadequate even if there was oil’,²⁹ and no more was heard of this venture.

SEEKING GOLD, WITH GOVERNMENT SUBSIDIES

Most of those seeking gold had no more skills than Emmett, as illustrated by the only assay done at the Thames School of Mines for a Te Aroha resident in 1931: one piece of quartz was of nil value and the other sample was ‘too small’.³⁰ In February 1932, another resident sent what he claimed to be a sample ‘full of mineral’: the assay revealed ‘Blue Clay with a little Iron Pyrites’, of nil value.³¹

Members of the Te Aroha Chamber of Commerce hoped a mining revival would revive the local economy, but at its monthly meeting in August 1931 Coulter commented that capital remained ‘very shy’. The district contained

quite a number of old miners and he had had many examples of good ore brought to him, but capital was not available for such ventures. There was no reason why they should not take advantage of the present position at the [Mines] Department which was, in view of the shortage of gold, much more sympathetic towards gold mining than formerly. He thought they should write to the Department, asking the conditions on which a subsidy would be available for prospecting. If they would get a party with one or two old miners it would meet the case.

The chamber agreed.³² The Unemployment Board informed it that £2,000 had been allocated to the Mines Department to enable a maximum of 100 married men to prospect at the usual rate of £1 19s per week. ‘Parties of from two to three men, under the supervision of an experienced prospector, were to be selected from suitable unemployed men’, but this

²⁹ J.A. Carroll to Clerk, Te Aroha, Magistrate’s Court, 10 September 1931, Mines Department, MD 1, 6/61, ANZ-W.

³⁰ Thames School of Mines, Assay Book 1927-1931, entry for 5 October 1931, School of Mines Archives, Thames.

³¹ F.E. Callaghan to Director, Thames School of Mines, 9 January 1932, Inwards Correspondence 1932; Thames School of Mines, Assay Book 1927-1932, entry for 11 January 1932, School of Mines Archives, Thames.

³² *Te Aroha News*, 21 August 1931, p. 5.

grant had already been expended.³³ However, the department was willing to assist if given details about the men and where they proposed to search. To enable this subsidy to be obtained, the Chamber of Commerce formed a committee to interview potential prospectors.³⁴ The *Te Aroha News* argued that, although the district's prosperity depended on dairying, it had always been hoped 'that some day mineral wealth will be added to that taken from the land'. Since large-scale mining had ceased, prospecting had

continued in a more or less spasmodic fashion and much money had been spent in search of payable lodes of ore. To a point these efforts have met with success, but new difficulties are now presenting themselves. Some progress has been made in perfecting methods for the treatment of refractory ores but prices for metals are low and must undergo a great recovery before profitable mining

became possible.³⁵ Reflecting local opinion, the Chamber of Commerce wanted all unworked claims held under protection opened for prospecting.³⁶

One self-proclaimed expert, in criticizing using unemployed workers, noted that earlier miners had discovered all the gold that was easy to find, and asked whether inexperienced men could 'discover easily won and "free" gold, i.e., gold from free milling stone, so rich that it can be worked without much expenditure of capital, and so near the surface that it can be discovered without costly development?'³⁷ But the Depression forced men to try anything: in April 1932 John William Smith, a mine manager who supervised the unemployment scheme at Thames,³⁸ warned Downey that 'we have been getting quite a few from Auckland and some of them hard

³³ *Te Aroha News*, 7 September 1931, p. 5; *AJHR*, 1931, H-35, p. 11.

³⁴ *Te Aroha News*, 16 September 1931, p. 1.

³⁵ Editorial, *Te Aroha News*, 16 September 1931, p. 4.

³⁶ Secretary, Te Aroha Chamber of Commerce, to Minister of Mines, 5 October 1931, Te Aroha Warden's Court, Mining Applications 1931, 18/1931, BCDG 11289/2a, ANZ-A.

³⁷ E.M., 'Mining Outlook: Hauraki Field: Expert's Views', *Auckland Star*, 2 September 1933, p. 12.

³⁸ See *Thames Electoral Rolls*, 1931, p. 170; 1935, p. 165; *New Zealand Herald*, 12 October 1933, p. 5.

looking birds down and out.... I am afraid some of them will have a hard time in the Winter months'.³⁹

There were many requests for assistance. In February 1932, Robert Milton Scelly⁴⁰ informed the 'Superintendent of Mines' that he was interested in an area that had produced assays of from £1 6s 3d to £53 3s 10d per ton, and claimed Smith had stated that 'he doesn't know of any better proposition in New Zealand'. As Scelly was sending a man to England to raise capital, he asked whether the Mines Department could provide either Smith or someone else to do assaying and prepare a report; his request was declined.⁴¹ This area, close to the top the mountain, was the Huia, formerly the Peter Maxwell and before that the Pick and Dish. Smith, who had inspected it at Scelly's request, did not consider it the best proposition in New Zealand, merely worthy of further opening up because he expected rich shoots amongst the promising country rock, which he considered was similar to that at Karangahake.⁴² Downey, who inspected the following month, was 'not at all impressed'. As its owners, Walter Joseph Gibbs' party,⁴³ had done 'no development work', the mine was 'just exactly as it was when I last visited it about two years ago'. Although one reef carried 'a little values in places on one wall', there was 'no quantity of the payable ore in sight. The present holders gouged up along the wall in one place for a short distance', obtaining six tons worth just over £20, but there was not much ore of this value. Smith's expectation of good shoots was wrong because the geology was different to Karangahake. Gibbs was associated with Scelly, Reginald Walter Devey,⁴⁴ and Norman Neilson,⁴⁵ all

³⁹ J.W. Smith to J.F. Downey, 12 April 1932, Inspector of Mines, BCDG 18634, A902, MM74B, ANZ-A.

⁴⁰ See paper on prospectors and investors in the Te Aroha Mining District during the 1930s.

⁴¹ R.M. Scelly to 'Superintendent of Mines', 23 February 1932; Minister of Mines to R.M. Scelly, 5 March 1932, Mines Department, MD 1, 12/408, ANZ-W.

⁴² J.W. Smith, Report on mining property held by W.J. Gibbs, n.d. [February 1932], Inspector of Mines, BBDO 18634, A902, MM68, ANZ-A.

⁴³ See paper on prospectors and investors in the Te Aroha Mining District during the 1930s.

⁴⁴ See paper on prospectors and investors in the Te Aroha Mining District during the 1930s.

⁴⁵ See paper on prospectors and investors in the Te Aroha Mining District during the 1930s.

of whom had applied for adjoining licenses.⁴⁶ Downey's seven samples gave very low results: 5s 9d, 3s 11d, two of 1s 1d, two of 9d, and nil.⁴⁷

Later that year, Downey wrote that Gibbs had 'carried out surface investigations on several prospecting licenses. He has got occasional fair prospects, but located nothing of real value. He had done no development work'. Some of his samples

gave high values. To the best of my belief, however, these did not come from reefs in situ, but mainly from loose stones picked up on the surface. In any case, I visited his areas since most of these high assays were put through, and sampled his reefs, with the result that the best value I could get was 5/9d per ton. Further, despite local press booming as to the great values recently got by him, I recently received from Mr Gibbs a letter in which he informs me plainly that while he had located a number of small reefs he had only found one "showing free gold in the dish, but this was not of great value."⁴⁸

Downey did not anticipate any worthwhile results being obtained elsewhere. For instance, when one party sought to explore near Mangaiti, he had 'little reason for thinking' they were 'likely to yield any useful result'.⁴⁹ Three days later, when the under-secretary, Alfred Henry Kimbell, discussed the prospects for prospecting with the managers of the Waihi Company, Hugh Crawford (director of the Thames School of Mines), and Downey, they agreed they would not 'spend any of their own money in prospecting any areas at Waitekauri, Waihi or Te Aroha', although the 'Mangakino Creek Watershed' over the range from Waiorongomai was worth investigating.⁵⁰ On the following day, Macmillan, whose electorate included Te Aroha, accompanied by Kimbell, met Coulter and a large number of men wanting to be subsidized prospectors. Coulter claimed

⁴⁶ J.F. Downey to Under-Secretary, Mines Department, 13 April 1932, Mines Department, MD 1, 12/408, ANZ-W.

⁴⁷ J.F. Downey to Under-Secretary, Mines Department, 26 April 1932, Mines Department, MD 1, 12/408, ANZ-W.

⁴⁸ J.F. Downey to Under-Secretary, Mines Department, 7 September 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁴⁹ J.F. Downey to Warden, 1 March 1932, Te Aroha Warden's Court, Mining Applications 1932, 7/1932, BCDG 11289/2a, ANZ-A.

⁵⁰ Memorandum by Under-Secretary, Mines Department, 1 March 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

‘independent miners’ had ‘discovered exceptionally good reefs from which the ore appeared to be very rich’. James Donald Cumming,⁵¹ spokesman for the would-be prospectors, said most were ‘young men who, rather than be a drag on the community, had got out to try and do something for themselves’. Without ‘suitable gear’ they could not go ‘too far into the mountain’, and ‘equipment and explosives were needed. The cost of treating the ore was also prohibitive’. Receiving rations ‘would be a big help’.⁵² Macmillan said he would send Downey to meet those registered unemployed wanting to prospect. He wanted Downey to send out from four to six men for four weeks, during which time they would keep a daily diary and report weekly to the local certifying officer. At the end of the four weeks, Smith would inspect their work.⁵³

Early in March, 17 men met with Downey, Smith, Coulter, and Alexander Leslie Murray Willis, the Te Aroha postmaster,⁵⁴ who was to be the local certifying officer.

Mr Downey said the subsidy will only be open to men who are registered as unemployed and who held a miner’s right. He then read the questionnaire which every party of men benefitting by the scheme would be required to fill in. Particulars of the districts and block in which it was intended to prospect were asked for, and the justification for the work. The applicant’s previous experience was also demanded, and how long the subsidy was likely to be required. The forms also require that a group of men under the guidance of an experienced prospector should be prepared to go in search of gold as regular employment five days out of seven.

After this explanation, the six willing to participate were given forms, although the *Te Aroha News* understood that over time five groups would be formed. Downey stated the scheme was ‘open to everybody’ wanting to prospect ‘providing the land was judged suitable’. He had given preference to those who had arranged themselves in parties of two.⁵⁵ Although

⁵¹ See paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

⁵² *Te Aroha News*, 2 March 1932, p. 5.

⁵³ Memorandum by Under-Secretary, Mines Department, 1 March 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁵⁴ See *Tauranga Supplementary Electoral Roll No. 1, 1931*, p. 28.

⁵⁵ *Te Aroha News*, 7 March 1932, p. 1; J.F. Downey to Under-Secretary, Mines Department, 5 March 1932, 14 March 1932, Mines Department, MD 1, 23/1/20, Part 1; Under-

Cumming claimed 18 men had wanted to enrol and complained that Downey had brought only three forms,⁵⁶ when subsidised prospecting started in April only four men went out.⁵⁷ Downey reported to Kimbell of meeting ‘the so-called prospectors’:

A good many men were present, but when I enquired as to which of them had any mining experience, I found there were only two who had the slightest. Neither of these men were, however, eligible for employment under the scheme, nor have they since, to my knowledge, made themselves eligible. In any case, I put them down as a poor type of very ordinary working miner. I then asked the men as to which of them desired to go prospecting, and for these to sort themselves out in parties. In response to this, about six parties handed their names in. Having only three application forms with me, I handed these to three of the parties, and immediately on my return to Waihi I send similar forms to the others. Of these six parties, only two completed their forms and lodged them with the Certifying Officer.⁵⁸

AMATEUR PROSPECTORS VERSUS OFFICIALS

In mid-March, the Te Aroha Prospectors’ Association was formed, with Charles Scott⁵⁹ as chairman and Cumming as secretary. Its members wanted all claims held under protection opened to prospectors; if payable reefs were found, the Mines Department should lend the discoverers ‘sufficient money with which to purchase a portable battery’. Existing prospectors should receive a grant to enable them to carry on ‘till some better scheme is functioning’.⁶⁰ Cumming called for the development of ‘the dormant but valuable mineral wealth’, as working the reefs was ‘made possible, and I hold profitable, by portable batteries of such lightness and

Secretary, Mines Department, to Commissioner for Unemployment, 7 March 1932, Mines Department, MD 14, 11/2/18, ANZ-W.

⁵⁶ J.D. Cumming to Minister of Mines, 19 March 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁵⁷ J.F. Downey to Under-Secretary, Mines Department, 15 April 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁵⁸ J.F. Downey to Under-Secretary, Mines Department, 1 August 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁵⁹ See paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

⁶⁰ *Te Aroha News*, 16 March 1932, p. 4.

simplicity that the crippling costs of transportation of ore has been overcome. To-day with modern methods up to 93% of gold can be successfully won by the improved methods of treating refractory ores'. He wanted residents to realize 'hundreds of thousands of tons of ore' awaited treatment. 'This would demand capital, labourers and machinery, and there would be a return to more prosperous times with money in circulation to the betterment of all, and the rapid reduction of the numbers of poor and unfortunate unemployed men at present just existing, with no definite work in view'.⁶¹

Shortly afterwards, 'a fair muster' attending the second meeting of the association asked Cumming to obtain 50 registration forms for the new scheme. Scott and Cumming said a portable stamping battery was needed to avoid the expense of sending ore to Thames, Cumming stating that 'some valuable ore discovered by a party had been carted downhill at a cost of £1 per ton. Transport to Thames had cost 10/6 per ton and crushing another 34/6 per ton'. After deducting goldfields charges, 'the prospectors had only received 10 shillings per ton'. The meeting asked a mining authority to give a lecture,⁶² but he did not.

By 23 March, seven men had registered for the subsidy, all, according to Willis, being 'very keen for the work'. The first party, two men approved by Downey, had started work two days previously, and the track to the old Peter Maxwell claim close to the mountain's peak was being cleared to provide access.⁶³ Access was a problem at Waiorongomai also: in early July the unemployment committee had six men clearing the lower road, but the 'chasm' at the council's quarry prevented transporting machinery.⁶⁴

Shortly after meeting Macmillan in March, Cumming asked him to follow what he said was the Australian practice of supplying portable batteries, the cost to be repaid from profits, in instalments.⁶⁵ Downey

⁶¹ Letter from J.D. Cumming, *Te Aroha News*, 16 March 1932, p. 1.

⁶² *Te Aroha News*, 21 March 1932, p. 4.

⁶³ A.L. Willis to Commissioner for Unemployment, 23 March 1932, Mines Department, MD 14, 11/2/18, ANZ-W.

⁶⁴ J.W. McCoy (Chairman of Directors, Ngahere Gold Prospecting Company) to Chairman, Piako County Council, 8 July 1932; W. Smith (Public Works Office, Paeroa) to Assistant Engineer, Public Works, Paeroa, 29 August 1932, Works Department, BAAS 5113/21c, ANZ-A.

⁶⁵ J.D. Cumming to Minister of Mines, 10 March 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

advised that such batteries would be unable to treat the refractory ores adequately. None of the association's members had 'any experience in mining matters', and when they asked whether assays could be done free of charge 'I told them they could, but that I scarcely thought it worth while to have full analyses made of the base metal values'. Full assays were expensive, and 'everyone should know' that lead, copper and zinc could 'only be worked profitably under exceptional circumstances', which did not exist.⁶⁶

Downey continued to view subsidizing this prospecting a waste of public money. In July 1932, he asked the Waihi Company whether they held details of the 1913 assays done for the Komata Reefs Company of Hardy's Mines ground.⁶⁷ The reason for his request was not historical interest, although in 1935 he would write a history of Hauraki mining,⁶⁸ but because of the pressure he was under:

There is a certain element in the community that will not be satisfied these Waiorongomai mines have had a fair testing, and will continue to give trouble from time to time until the fact can be driven home to them that the area offers no possibilities. The records of this sampling by the Komata Company I look upon as conclusive evidence in this regard, and I am sure that if I had the full data I would be able to deal much more effectively with applications for assistance for prospecting, provision of batteries, etc, on the field, than I have so far been able to do.⁶⁹

Unfortunately for Downey, these assays and the accompanying report had been sent to London and lost; he commented that the latter would have been most useful, 'especially in view of the wild schemes now being promoted'.⁷⁰

In early July, a deputation from the association asked Macmillan to provide a battery. 'Assay reports from the Waihi School of Mines were

⁶⁶ J.F. Downey to Under-Secretary of Mines, 22 March 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁶⁷ See paper on Hardy's Mines.

⁶⁸ J.F. Downey, *Gold-Mines of the Hauraki District, New Zealand* (Wellington, 1935).

⁶⁹ J.F. Downey to R.G. Milligan (Waihi Gold Mining Company Ltd), 14 July 1932; R.G. Milligan to J.F. Downey, 18 July 1932; J.F. Downey to R.G. Milligan, 19 July 1932, Inspector of Mines BBDO 18634, A902 MM222, ANZ-A.

⁷⁰ J.F. Downey to R.G. Milligan, 6 February 1933, Inspector of Mines, BBDO 18634, A902 M6, ANZ-A.

shown, one of which would produce over £100 per ton. Others varied down to £6 and £4 per ton', and Cumming claimed to be finding payable quantities.⁷¹ Crawford advised the department that 'a good deal' of the ore was refractory and 'difficult to treat to obtain a high percentage of extraction, and besides the plant would be expensive to erect'.⁷² Downey gave detailed reasons why there was 'no justification for providing a public crushing plant':

There are many strong reasons on which I base this conclusion. One of them is the fact that the area had previously been abandoned as unpayable at a time when there was abundance of as good mining labour as any country could show, when the mines were well-equipped with treatment plant, and when mining costs were little more than half of what they are now. If the quartz of the field could not be made to pay under those conditions, there is no hope of it being made to do so now. A second reason is that there has been no metallurgical or mining improvement introduced since the closing down of the field that is of a nature sufficiently cost-saving to balance or overcome the increase in cost that has been brought about in the interval. A third reason is the fact that after the one period of working during which the field was operated successfully, that during which the late E.H. Hardy controlled practically all the mines that at any time produced any values, the field was thoroughly sampled by other parties with results that could only be described as being conclusively against the justification for any provision of treatment plant there now. A fourth reason is that since that sampling was done no single foot of new development has been carried out that has served to reveal any body of payable ore, while a fifth reason is that a geological study of the field⁷³ has not adduced any evidence tending to increase any belief in the revival of payable mining in it.

And the proponents wanted the wrong type of plant. The only improved method of treating ore since the mines closed was oil flotation, which he had 'no hesitation in saying' provided 'no hope' for this field. Hardy's Mines had been unable to find any ore worth crushing, and he had

⁷¹ *Te Aroha News*, 6 July 1932, p. 5.

⁷² Hugh Crawford to Under-Secretary, Mines Department, 6 July 1932, Outwards Correspondence 1932-1936, School of Mines Archives, Thames.

⁷³ John Henderson, assisted by J.A. Bartrum, *The Geology of the Aroha Subdivision, Hauraki, New Zealand: Geological Survey Bulletin No. 16 (New Series)* (Wellington, 1913).

been informed by the leader of the party which took samples in 1913 on behalf of the Komata Reefs Company that 'the results were hopelessly unpayable' and its superintendent had warned his directors against acquiring the property. 'No work whatever has since been done to bring further pay-ore in sight', and it was 'preposterous' to want the government to erect a plant. The geological survey had not suggested anything worthwhile could be found, and 'no notice' should be taken of 'the high assays mentioned by the deputation to the Minister as having been recently got around Te Aroha, particularly from Gibbs' prospecting areas'. No assays were 'taken by any responsible or experienced person, and there is no saying from where, or how, they were taken'; he was 'certain' they were 'not truly representative of any body of available ore worth mentioning. I took a number of samples from all the formations' Gibbs showed him 'when I visited them a short time ago, and the best values I got were only 5/9 per ton'. As for Malcolm Hardy's assays,⁷⁴ the average value was not payable. Downey was alarmed that Macmillan, in his discussions at Te Aroha, had implied Downey's report might be given to the association. Quite apart from creating ill will against him, it would 'do more harm than good', for its members were 'entirely inexperienced in anything pertaining to mining. Such people can seldom be convinced even by the most logical reasoning that their extraordinary views are wrong, and they only read a report with a view to raising argument, and the more ignorant they are the more they will argue'.⁷⁵ Appended were the averages of 70 Waiorongomai samples assayed at the Waihi and Thames schools of mines since the beginning of 1930. The over-all average was £2 3s 1d per ton, mostly accounted for by 30 assays for Gibbs averaging £4 0s 1d after two 'exceptionally high returns' were 'reduced to tenor of the rest'. Two were valued at 6d, two had nil value, and Downey's seven samples averaged 1s 11d.⁷⁶

On 1 August, Downey wrote to Kimbell explaining his increasing concerns. He regretted there had been no opportunity for a personal discussion to freely debate issues 'that cannot be very well set down on paper in official reports', thereby revealing the true nature of the proposals. Two prospecting parties had been formed, but

⁷⁴ See paper on his life.

⁷⁵ J.F. Downey to Under-Secretary, Mines Department, 25 July 1932, Inspector of Mines, BBDO 18634, A902 MM222, ANZ-A.

⁷⁶ Attachment to J.F. Downey to Under-Secretary, Mines Department, 25 July 1932, Inspector of Mines, BBDO 18634, A902 MM222, ANZ-A.

on the Supervisor reporting the place they were working in as hopeless I withheld any further assistance. The men [Francis James Roache and David Edwards]⁷⁷ were notified that if they cared to select another place that offered better promise their case would be reviewed, and further subsidy might be forthcoming. I heard nothing further from them. The other party, J.D. Cumming and [his] brother [Herbert Andrew Cumming],⁷⁸ also received subsidy, first for four weeks, then for a further period of six weeks. Neither of the men had, as far as I could learn, any experience at mining or prospecting, but I thought they might be willing workers. However, as their diaries began to arrive I became very doubtful of them. I give you herewith the information they furnished regarding their work for the ten weeks mentioned:-

Week ending 23/4/32 "Clearing up tracks to enable tools and gear to get on to claim. Clearing out drive No. 1. Fired eight holes on reef in creek."
 " " 30/4/32 "Cleaning out old working and clearing outside of drive to enable spoil to be tipped. Commenced driving."
 " " 7/5/32 "Ordinary routine. Cleaning up track of windfalls caused by storm. Clearing away slip of clay brought down by storm from tree blowing out."
 " " 14/5/32 "Clearing slip from mouth of drive. Cleared sufficient to get barrow into level. Testing prospects by dollying and washing. Picked samples of ore to send for assay. Improving track."
 " " 21/5/32 "General routine work. Took some samples. Work on reef now commenced."
 " " 28/5/32 "Taking up material for erecting camp to enable work to be pushed on more rapidly. Clearing out drive No. 1. Drive advanced 4ft per week."
 " " 4/6/32 "Clearing out and lowering floor of drive No. 1, and general routine work."
 " " 11/6/32 "General routine work. Making clearing in readiness for erecting hut."
 " " 18/6/32 "Prospecting generally over property and general routine work."

⁷⁷ For both men, see paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

⁷⁸ See paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

“ 25/6/32 “Ordinary routine work.”

These are the men's full reports as to the work actually done, and you will see from them how little bona-fide prospecting there was in the long period. Then it is questionable if the information, even such as it is, is reliable. For instance, mention is made of taking samples to forward for assay. No sample of any kind was sent by the party to either Thames or Waihi School of Mines. Mention is made of clearing a place for a hut and taking up material for construction of a hut. The Supervisor saw no indications of either the clearing or the material mentioned. Taking the reports as they stood, I was so doubtful as to any real work being done by the men that I requested the Supervisor to take particular notice on his visit at the end of the second period of what had been done. As a result he notified me, after visiting the men on 28/6/32, that only 2 feet of driving had been done in the face of what they call Drive No. 1 since his previous visit on 19/5/32, nearly six weeks earlier, and that the only other work done in that time was evidently the clearing of a few chains of old track to another reef, and the knocking of pieces off this reef here and there for about a chain. On that visit, I may mention, Mr Smith also took two samples, one from the fact of the drive and the other from the reef just mentioned, neither of which showed on assay more than a trace of gold. On the strength of this Mr Smith wrote to the men telling them they were only wasting their time on the place. In spite of this, however, not wishing to be too hard, I gave authority for another four weeks of subsidy for the party, but at the same time I wrote to the men advising them that unless the Supervisor was better satisfied at the end of this period both as to the amount of work done and the prospects of the show no further subsidy would be authorised. This last four weeks was up on 23rd July, and as I was in Te Aroha on the 22nd I visited the claim with the Supervisor. There was no sign of the men, and an examination of the track indicated no one had been there since the last heavy rain, which was about nine or ten days previously. The face had not been advanced since the last measurement. In view of this I wrote to Mr J.D. Cumming on my return to Waihi notifying him that no further subsidy would be granted to his party. I also 'phoned the Certifying Officer, Te Aroha, advising him of the results of my visit and as to what action I had taken. In ordinary circumstances this would have ended the matter, but I have reason for thinking it will not by any means end it. Mr Cumming is Secretary of the local Prospecting Association and is given to letter-writing, and nothing is more certain than that, right or wrong, he will, probably backed up by some other Te Aroha interests, make every effort to have my decision set aside. Realising this, I have felt it would be wise to place the whole circumstances before you, so that when the inevitable agitation

arises you will be forewarned with knowledge as to the true position, and will be able to deal effectively with it. And, to prevent any possible misunderstanding, I want to explain here that apart altogether from the merits or demerits of this party, my opinion is that on general grounds no further subsidy should be granted to any party to prospect in the area. The fact that the men have not been giving satisfactory work is in itself sufficient to put them out of court in any appeal they may put in, but there are a good many other solid reasons why such further subsidy should not be given. One of these is that they are not experienced miners, and there is always the possibility that working in such places they may receive injury. The drive in which they were working was in a most dangerous condition, and it is clear the men did not realise what they were doing. Further, this party is the only one that has been working under subsidy in the locality, and I consider the cost of which the Department is put for inspection by the Supervisor and myself is not justified by one party. Again, there is the point to consider that in spite of the fact that some months ago the Te Aroha Prospecting Association wrote you asking to be supplied with a large number of application forms, not a single form has since been asked for, although you informed it that these forms could be readily obtained from me. This shows that no other unemployed men in the locality have any real desire to take the work on.

The more he considered the question the more 'confirmed' he was that there were no mining possibilities. 'No good purpose' was served by encouraging prospecting, which was a 'sheer waste of money', and it was unkind to encourage men to prospect with 'so little chance of them doing any good'.

So long as subsidies are granted, so long is a false impression given that the Department has a faith in the locality it does not possess. Further, so long as these subsidies are given, so long will the Department be pestered by applications for assistance, provision of batteries etc, with the attendant loss of time and needless cost of dealing with them, and, last but not least, there is the point to consider that so long as the subsidies are given, so long is encouragement given to the floating of "wild-cats," and the inducing of people to put money into worthless ventures. Only recently, thanks to the timely intervention of Messrs J.W. Smith and Crawford, one old couple were just saved in the nick of time from putting some hundreds of pounds of their savings into such a venture.

The department should discourage prospecting there; as it was his 'firm intention' to do so, being 'honestly convinced' this was 'the only line open to me' he asked for its 'best support'.⁷⁹

The following day, Downey repeated to Smith that as there were 'no mining possibilities' it was 'only cruel to the men themselves, and an injustice to the Unemployment Board, to encourage them to prospect'.⁸⁰ Smith agreed, contrasting the amount of work done by prospectors at Te Aroha and at Thames and complaining that 'the whole thing at Te Aroha' was 'a farce'; he was required to waste time and money visiting 'to look at nothing'.⁸¹ However, in the middle of the month Macmillan published an article headlined 'Renewed Interest in Mining: Rich Discoveries May be Imminent', expressing the hope the new reefs would be found across the country, but including the cautious comment that Hauraki's future lay 'largely in the discovery of further rich reefs, but the nature of the field and its formation renders this difficult'.⁸² The politician's desire to placate a noisy section of his electorate was to over-ride Downey's view that prospecting should not be encouraged in unpayable districts.

As Downey anticipated, his refusal to continue subsidizing the Cumming brothers prompted immediate complaints. Cumming told Macmillan that people in the hotels knew before he did that the subsidy had been cancelled,⁸³ and insisted he had been hard at work prospecting, partly in areas not seen by Smith. He claimed to have received a verbal report that his ore had improved in value from 1s 10d per ton to 8s, which he considered a good result. As he had not been on the ground during the last inspection because of sickness, he demanded 'British fair play'.⁸⁴ The secretary of the Te Aroha Unemployment Committee, Norman Gibbs, an

⁷⁹ J.F. Downey to Under-Secretary, Mines Department, 1 August 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-A.

⁸⁰ J.F. Downey to J.W. Smith, 2 August 1932, Inspector of Mines, BBDO 18634, A902 MM74B, ANZ-A.

⁸¹ J.A. Smith to J.F. Downey, 6 August 1932, Inspector of Mines, BBDO 18634, A902 MM74B, ANZ-A.

⁸² C.E. Macmillan, 'Renewed Interest in Mining: Rich Discoveries May Be Imminent', *Observer*, 18 August 1932, p. 5.

⁸³ J.D. Cumming to Minister of Mines, 29 July 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁸⁴ J.D. Cumming to Minister of Mines, 9 August 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

accountant,⁸⁵ protested to the Commissioner of Unemployment that the Cummings brothers had lost their subsidy because Downey claimed the mine was unsafe without explaining how to make it safe. 'Consequently' it was felt that 'this apparent lack of sympathy by the Dept's representative' was 'not conducive to success'.⁸⁶

In defending himself, Downey reminded Kimbell that the latter had approved granting the subsidy only for short periods because Downey had warned there was little justification for prospecting.⁸⁷ He had warned Cumming the subsidy would end unless more work was done and values improved, pointing out that Thames miners drove 30 feet a week whereas Cumming had driven two feet in six weeks. Not much cleaning up of the adit had been needed, for the face of the drive was only a few paces from the portal. The brothers were 'really frittering their time from one thing to another, doing no particular good anywhere, and I could not but come to the conclusion that they were about the most useless and helpless pair of men I have ever known to take such work on'. He would not subsidise their work again, not only because they had not worked honestly, but because 'my authority in the locality would be completely undermined' and he would have the same trouble with them again.⁸⁸

The *Te Aroha News* had been publishing encouraging reports of prospecting.⁸⁹ In August, prompted no doubt by interested parties, it reported a local feeling that 'the unsympathetic attitude adopted towards prospecting' was due to hopes in Waihi of mining 'the payable ores believed to exist on this side of the range. If that were done all benefits from mining operations would go in the direction of Waihi'.⁹⁰ This fanciful notion was followed, five days later, by the publication of a letter by Scott to Macmillan claiming Willis had informed the Chamber of Commerce that Te Aroha was

⁸⁵ See *New Zealand Herald*, 1 October 1923, p. 6; *Truth*, 17 November 1923, p. 3; *Tauranga Electoral Roll, 1935*, p. 62.

⁸⁶ Norman Gibbs to Commissioner of Unemployment, 2 August 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁸⁷ J.F. Downey to Under-Secretary, Mines Department, 23 August 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁸⁸ J.F. Downey to Under-Secretary, Mines Department, 23 August 1932, 24 August 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁸⁹ For example, a report on W.J. Gibbs' prospecting in the Mangakino watershed: *Te Aroha News*, 3 August 1932, p. 5.

⁹⁰ *Te Aroha News*, 10 August 1932, p. 4.

not worth prospecting. If that was so, 'it is your duty to ask him to unreservedly withdraw such ridiculous contrary to fact contentions', as recent assays had proved 'emphatically and conclusively'.⁹¹ Willis replied that Scott's letter created an 'entirely erroneous impression' of his personal views, for he wanted 'every encouragement' given to prospectors, 'especially in view of the excellent results obtained recently'. He had said that he did not think Downey would recommend erecting a battery because he 'did not appear' to favour prospecting.⁹² Willis explained to Kimbell that he had not quoted Downey, not having discussed the issue with him. He had informed the Chamber that a portable battery was unlikely to be provided because of the small number of prospectors, and warned that Scott continually stirred up trouble.⁹³

Scott then criticized members of the Chamber who doubted the value of the field. 'If the metalliferous wealth of Te Aroha and other parts of the Hauraki Peninsula was in any other part of the world it would have been developed years ago'.⁹⁴ In the same edition, the editorial stated that Willis had described Downey as 'distinctly discouraging'; he had granted a subsidy to only five (it was four) of the 15 men interested.

The impression given from the interviews with the inspector and his reluctance to give consideration to any of the claims made for assistance was that he had prejudged the cases and was already convinced of the futility of prospecting at Te Aroha. The discrediting of prospecting with a superior gesture on the part of the mining inspector is not, in view of proved facts and actual results, very satisfactory to the people of Te Aroha, who desire that those who are engaged in this work shall have encouragement and such assistance as has been provided under the unemployment scheme.... Those with enough of the pioneering spirit to prospect on the rough Te Aroha mountain need something more to sustain their courage than the small subsidy, which however needful represents less than could be obtained doing the ordinary and congenial work of the unemployed.⁹⁵

⁹¹ Charles Scott to Minister of Mines, 9 August 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W; printed in *Te Aroha News*, 15 August 1932, p. 5.

⁹² *Te Aroha News*, 15 August 1932, p. 5.

⁹³ A.L. Willis to Under-Secretary, Mines Department, 17 August 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁹⁴ Letter from Charles Scott, *Te Aroha News*, 17 August 1932, p. 4.

⁹⁵ Editorial, *Te Aroha News*, 17 August 1932, p. 4.

Macmillan's decision not to provide a battery cited as justification all Downey's points.⁹⁶ At the August meeting of the Chamber, Coulter 'said he had anticipated the Minister's reply but did not agree with it'; his proposal that a small committee meet the prospectors' association about making further representations to Macmillan was supported. 'The Department had always shown prejudice against Waiorongomai', and he had the impression that Downey 'was hopelessly prejudiced against mining at Te Aroha'; he wanted to collect more evidence before approaching Macmillan again.⁹⁷

Scott told Macmillan the ore was payable, especially with the rise in gold prices and better treatment methods. He insisted that the geological survey (which he misdated) was 'hopelessly inadequate'.⁹⁸ Macmillan responded that as 'protracted correspondence and newspaper controversy' would 'not assist', he was arranging for Kimbell 'to visit Te Aroha as soon as possible to go into matters on the spot with all interests in the hope a useful understanding may be arrived at'.⁹⁹ He told the *Te Aroha News* that he 'was pained' by Coulter's statement that his department had always been prejudiced against Waiorongomai.

Surely it is against the canons of good business to insist that the state should spend its capital in the direction contrary to the advice of its experienced officers with special knowledge and qualifications. I am having the Mayor's impression of Mr Downey's prejudice against Te Aroha thoroughly investigated and at a suitable date will arrange a conference at Te Aroha when all parties will be heard.

Coulter claimed not to have said the department was prejudiced, only that Downey was, and welcomed an investigation.¹⁰⁰

Despite Macmillan's statement, there was no investigation into Downey's alleged prejudice, no doubt because his reasoning was on record. For his part, Downey wrote a personal letter to Kimbell regretting a

⁹⁶ *Te Aroha News*, 19 August 1932, p. 4.

⁹⁷ *Te Aroha News*, 19 August 1932, p. 4.

⁹⁸ Charles Scott to Minister of Mines, 24 August 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

⁹⁹ Minister of Mines to Charles Scott, 27 August 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁰⁰ Letter from C.E. Macmillan, *Te Aroha News*, 29 August 1932, p. 4.

meeting would be held, for it would do harm and place him in an awkward position because he would not publicly discuss his views about individuals. Te Aroha residents were ignorant about mining, and some were antagonistic to him. 'I would be very wanting in commonsense if I allowed myself to be drawn into their pit to be baited'. His self-respect was involved, and he wanted to talk to Kimbell beforehand concerning other issues that he had not written about.¹⁰¹ Kimbell assured him his reports would not be discussed and that the purpose of the meeting was to get the complainants to prove the area was worth prospecting. As Te Aroha was in his electorate, Macmillan wanted to shorten the dispute. Before the meeting Kimbell would meet with him, Smith, and Arthur Herbert Vivian Morgan, Director of the Waihi School of Mines, as Downey suggested.¹⁰²

At Kimbell's request, Downey gave details of all the subsidies allocated since 1907, amounting to £322 4s; 'no good results came of the expenditure'. He outlined the 'very little' work done during the past 12 months: the six holders of mining leases had done almost nothing and prospectors 'found nothing of value'. The best result of three assays made for Cumming were 8s per ton, while Hardy's 26s 8d was not payable. Although some of Gibbs' samples gave high values, he believed these came from loose surface rocks, not reefs; his own sampling of reefs gave only 5s 9d per ton. The prospects were therefore 'no more promising than when the mines were closed down years ago'. Although 'local agitators' pointed to the increase in the price of gold, this could not help this field 'for the simple reason there is no cause whatever for believing any ore is available of sufficient gold content to pay for working even at the increased price'. He was 'satisfied' there was 'not sufficient payable ore in sight throughout the whole field to keep a treatment plant going a week, or even a day'. As for base metals, 'consideration of these can be put aside, for any proportion of them recovered would not, to the best of my belief, be saleable'.¹⁰³

On 6 September, Macmillan told Coulter he had persuaded Cabinet to permit proceeds of Art Union lotteries to go to prospecting associations and

¹⁰¹ J.F. Downey to Under-Secretary, Mines Department (Personal), 1 September 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁰² Under-Secretary, Mines Department, to J.F. Downey, 2 September 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁰³ J.F. Downey to Under-Secretary, Mines Department, 7 September 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

asked him to appoint representatives to work with the Te Aroha one.¹⁰⁴ The Chamber of Commerce thanked him for his 'kindly interest' in this association, and Coulter, Scott, and Horace Harold Wood, a timber merchant who was president of the Chamber,¹⁰⁵ were appointed trustees for any monies received.¹⁰⁶

Before the meeting, agitation continued. The Chamber of Commerce urged Macmillan to investigate as soon as possible 'the alleged wrongful treatment of prospectors by the Mines Inspector'. Downey was condemned for 'the autocratic way' he condemned the district as not being payable, for recent assays and developments showed that prospectors should be given every encouragement.¹⁰⁷ Cumming requested a report of the meeting with Macmillan on 2 July:

It is with difficulty that I am restraining those who were present on that occasion from combining with the Chamber of Commerce and calling a public meeting at Te Aroha to draw attention to the matters affecting this field and the treatment that has been shown towards us by the attitude adopted by the Inspector of Mines.¹⁰⁸

Cumming then asked Downey to restore the subsidy because he and his brother would be able to do more during summer than during winter.¹⁰⁹ Downey, in passing on this request to Kimbell, commented that 'practically only two men' were 'behind the whole trouble', Hardy being 'the chief agitator for the battery, and Cumming himself stirring the local bodies up in his own interest'. Both men were 'evidently bent on getting their own

¹⁰⁴ C.E. Macmillan to Robert Coulter, 6 September 1932, Mines Department, MD 1, 23/1/31, ANZ-W.

¹⁰⁵ See *Tauranga Electoral Rolls, 1931*, p. 175; *1935*, p. 186; advertisement, *New Zealand Herald*, 25 February 1939, p. 24.

¹⁰⁶ G. Hedge (Secretary, Te Aroha Chamber of Commerce) to C.E. Macmillan, 9 September 1932; Robert Coulter to C.E. Macmillan, 10 September 1932; Charles Scott to C.E. Macmillan, 25 October 1932, Mines Department, MD 1, 23/1/31, ANZ-W.

¹⁰⁷ G. Hedge to Minister of Mines, 23 September 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁰⁸ J.D. Cumming to Minister of Mines, 26 September 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁰⁹ J.D. Cumming to J.F. Downey, 26 September 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

way, right or wrong'. As the Cumming brothers were the only ones applying for the subsidy, it was not worth the cost of supervision, especially as they could get other unemployment work.¹¹⁰

MEETING THE MINISTER AGAIN

On 10 October, accompanied by Smith and Downey, Kimbell met with representatives of the prospecting association, the Chamber of Commerce, and the council. Coulter, in the chair, explained that the men wanted to know why so few had been permitted to receive subsidies and why there was no encouragement of prospecting.

Mr Kimbell said he would like to know from the people who claimed to have a wonderful knowledge of the gold existing in this particular area what they based their claim on. He had the data and the official reports from 1905. He knew personally of the last organisation which got things going at Te Aroha 13 or 15 years ago. They were friends of his and a special investigation had been made. He would like to know what particular areas were worth prospecting. His Department had to be satisfied on that. At Thames there was an organisation to deal with those seeking aid for prospecting and which decided which area was worth prospecting. He was well satisfied with what was being done there but there was no such organisation at Te Aroha. He had been advised that the men seeking aid from this end were not eligible. Four had been subsidised and two had given up. He would like to know what areas were worth prospecting.

Cumming claimed that 'the whole field' from Tui 'round to the Premier lode and the Buck reef should be extensively prospected' because of 'what has been done in the past' and the 'improved methods' now available, meaning 'electric power and new processes successful in Germany'. He wanted prospecting done at depth, for better ores were sometimes found below those with low values, as at Waihi. Kimbell responded that this did 'not apply everywhere. We have our reports from three or four inspectors of mines and I have had access to the reports of engineers in private practice and I cannot reconcile these with what you say'. Asked about his mining experience, Cumming replied, 'I am not an actual miner. I am a prospector',

¹¹⁰ J.F. Downey to Under-Secretary, Mines Department, 29 September 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

and that 'from his own observations and from reading he had come to the conclusion that results would be found on a lower level'.

Coulter considered that the pre-war geological survey 'was a very hasty one. Only £2000 had been allowed for the work and it was quite impossible to make an accurate survey over such an area for that amount'. Kimbell doubted this was so, but would check the claim that Professor John Arthur Bartrum, one of the geologists who produced it,¹¹¹ had admitted this (there is no record of this promise being carried out). Frederick Wild, the county clerk, claimed that 'most of the data collected by the surveyors got burnt. They only had enough money to scratch the surface', facts which were 'general information here for years'.

After Malcolm Hardy gave extensive details of his allegedly splendid mines,¹¹² Gibbs described his own prospecting, which had resulted in hundreds of assays. 'A good many were very encouraging showing that there were still ores in the field containing considerable value'. He then undermined his case by admitting the ore 'contained a good deal of sulphide and he understood was very difficult to treat and that one was lucky if from ores containing values up to £8 or £9 per ton 15/- was saved'. He had seen gold in the stone assayed. Asked to point out a reef worthy of further investigation, he replied that 'a lot of land' should be prospected. He also claimed that the geological survey had not covered all the ground in its ten months' investigation. 'He had asked Professor Bartrum why so many reefs had not been mentioned and was told that the party did not have time and was stinted for money'. Asked once more to give a precise location, he said he had found good values at 'many places' at Waiorongomai and in his prospecting area. In the geological map only two reefs were shown but he had unearthed about 20; assays produced up to £3 per ton and base metals were also found.

Scott displayed his book learning by traversing 'a great deal of ground and dealt with the technical aspect of mining. In every country excepting New Zealand Mr Scott said that over 90 per cent of the gold was being recovered from refractory sulphide ores'. He quoted from a letter just received from Joseph Campbell¹¹³ claiming success for his process 30 years previously and that his plant 'had to close down for want of a supply of ore', which did not strengthen the case for large amounts of ore awaiting

¹¹¹ See Henderson and Bartrum.

¹¹² See paper on his life.

¹¹³ See paper on Joseph Campbell and his thermo-hyperphoric process.

extraction. Kimbell reminded the meeting that 'they wanted to get down to something useful. Did Mr Scott know the field himself?' Scott's replied that 'he had not done any actual prospecting but had pegged out a claim. He had seen assays and had dollied stone at Waiorongomai and thought the district well worth systematic prospecting'. Kimbell responded that 'this general stuff' was 'of no use at all'.

Cumming 'spoke at some length on the action of the Mines Department in having his subsidy stopped because he had not worked for two weeks. This was done without seeing him or notifying him and the first he learned about it was in the street'. When he complained of not receiving a reply to his request for its reinstatement, Kimbell said it was held over because he was coming to discover areas worth prospecting. Cumming told him that 'old prospectors could refer you to areas which have never been trod by man', but when asked if they could show Wellington officials over the ground said they were too old to do this. Complaining that he and his brother were termed incompetent, he claimed to be 'as competent as many prospecting at the Thames'. Scott tried to assist him by announcing that 'under the tuition of Mr Gibbs and myself Cumming was 'as competent as the average prospector'. Cumming's explanation for not having done much driving was that he 'had put in some time on other parts of the area', and he suggested over one square mile could be prospected.

Smith explained the procedure used at Thames for selecting men to receive a subsidy, and commented 'that a man must be a miner to be a prospector in this country, which was different to alluvial'. He described the incompetence of Leece's party, and warned of the dangers of such men working in unsafe mines. After summarizing the small amount of work done by James Cumming, he stated that he could get 'samples from hundreds of areas near Thames as good' as his best assay of 8s.

Mr Cumming showed him another reef in the creek from which a sample was taken from the best looking ore and it showed only a trace of gold. There were no values. Prior to that he went up the hill a little further and all he could see was a little moss scratched off the solid rock. The reef was still split up into small stringers. What had been done was not practical prospecting.... The men had to work five days a week or they would not be paid. When they looked at Mr Cumming's place the whole of the work done since the previous visit could have been done in two shifts. The work done did not show that the men were prospectors at all.

Asked by Kimbell whether he would send the Cumming brothers back to continue working, Smith replied, 'Certainly not. The place has been well tried. He had given Mr Cumming an opportunity to pick out the best ore and forward it to Thames, in which case it would have been tested for nothing'.

When Coulter complained that the local unemployment committee, which he chaired, was not told the men had been removed from the scheme, Smith explained that he had written to Downey 'and told him the men should not be allowed to go on'. Downey, speaking for the first time, stated he followed Smith's advice in not renewing their authority, which had been granted for only four weeks. Kimbell said the committee should have been informed the subsidy was withdrawn 'and that will be done in future'.

Asked by Coulter about possible places to prospect, Smith nominated the head of the Waitawheta Stream, 'but if they did not have the right prospectors what was the use', to which Coulter responded: 'We have them'. Gibbs had the best portions of the northern area, and Hardy owned all the good country at Waiorongomai, but on other portions of the mountain Coulter considered that 'work could be found for about 20 practical men. From what the old prospectors said the country had not been properly prospected'.

Kimbell then proposed, presumably as agreed previously with Downey and Smith, that Eric Ogilvy Macpherson, a government geologist,¹¹⁴ should select 'suitable areas for putting on experienced prospectors'. If these were 'big enough for say 30 to 40 prospectors' the department would provide 'a whole time supervisor, who could control and advise the men concerned'. The crushing of ore would be subsidized on the same terms as at Thames, '£2 per load of 2 1/2 tons, provided the ore is valued at between £2 and £6 10/- per load, and provided further the ore is sent in 4-ton lots, in which case the Department would pay on a £1 for £1 basis'. There would be free cartage for 4-ton lots sent to the Thames School of Mines. In response to Coulter's thanks, Kimbell said, 'There had been a lot of hot air but he was satisfied that none of his staff was prejudiced. If a scheme is launched no one would be more pleased than Mr Downey'. After an argument about Hardy's prospecting, Downey commented, unprovoked according to the newspaper report, that 'the Mayor had been talking through his hat'. Coulter responded, 'I will not take that', and the remark was withdrawn.

¹¹⁴ See Peggy Burton, *The New Zealand Geological Survey 1865-1965* (Wellington, 1965), pp. 53, 68.

John Wallace, an old miner and prospector,¹¹⁵ gave details of what he claimed was good ore at Stoney Creek, an area Smith had said was not worth trying. 'He knew the place and had kept it quiet for 25 years', and recommended tracing the reef from the New Find to there. Wild declared he had mined there 35 years previously 'and as an experienced prospector had found plenty of reefs' of good value. Coulter closed the meeting by stating that both sides 'now understood each other pretty well and they were pleased with what Mr Kimbell proposed to do for them, which was practically what they wanted'.¹¹⁶

The *Te Aroha News* editorial had the headline 'A Happy Conclusion'. It was pleased Kimbell had been enlightened about the defects of the geological report that had had 'a most detrimental effect'. He was described as being 'sympathetically attentive to old miners' like Wallace and Wild, 'who were able to speak from actual experience, and he eagerly sought such positive facts' as Gibbs and Hardy made 'available after the conference'. Kimbell had 'instructed his officers to report, without delay, on suitable areas for prospecting.... When the conference concluded there was the best of feeling towards the Mines Department'.¹¹⁷

What Downey and the other officials thought of the conference and its outcome was not recorded, but they did not restore Cumming's subsidy because, pending Macpherson's inspection and the organization of prospecting 'in group method under regular supervision', none would be granted.¹¹⁸ On the day of the conference, Smith, Downey and Crawford informed Kimbell that the most promising areas for prospecting were already held by Gibbs, but that the head of the Waiorongomai Valley and the Mangakino Valley were worth investigating by Macpherson.¹¹⁹

MACPHERSON INVESTIGATES

¹¹⁵ See *Te Aroha News*, 4 December 1888, p. 2, 1 May 1889, p. 2, 28 September 1895, p. 2, 9 December 1932, p. 5, 24 September 1934, p. 1, 7 December 1939, p. 5.

¹¹⁶ *Te Aroha News*, 12 October 1932, p. 5.

¹¹⁷ Editorial, *Te Aroha News*, 12 October 1932, p. 4.

¹¹⁸ J.F. Downey to J.D. Cumming, 13 October 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹¹⁹ Hugh Crawford, J.W. Smith, and J.F. Downey to Under-Secretary, Mines Department, 10 October 1932, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

When Macpherson arrived to investigate the area late in October, Coulter chose Cumming as the most suitable person to accompany him because of his 'intimate knowledge'.¹²⁰ Cumming spent two weeks with him as his 'companion cook & help'.¹²¹ Macpherson had been instructed 'to determine if unemployed men could profitably engage in prospecting for new ore bodies, exploring lodes already discovered, or re-opening old mines and bringing them back to production'.¹²² After exploring Tui, the headwaters of the Mangakino Stream, and 'several mines' at Premier Creek and Diamond Gully, his report, dated 14 November, warned that the country was

rough and mountainous and is covered by a tangled mass of dense bush with only a few pack tracks to give access. Prospecting, especially by amateur prospectors, would be a difficult and arduous task and it is thought that trained prospectors working under the direct guidance of a trained prospecting engineer, to ensure that the work would be done systematically, is the most economical way to prospect this rough country.

He wanted prospecting done by modern methods, for 'to have men of little or no experience wandering through the bush, trying stone from the many outcrops which occur would not now be considered systematic prospecting'.¹²³ Basing his investigation on the geological survey published in 1913, because new lodes in the headwaters of the Mangakino Stream had been reported he commenced there, being shown over the ground by Gibbs' employees, Raymond Arthur Hopson and William James McMillan.¹²⁴

About 25 lodes were examined, some probably new discoveries, judging by the fact that no pits or cuts were seen, others had been

¹²⁰ Norman Gibbs to Commissioner of Unemployment, 9 November 1932, Mines Department, MD 1, 23/1/20, Part 1; A.L. Willis to Commissioner of Unemployment, 12 January 1933, Mines Department, MD 41, 11/2/18, ANZ-W.

¹²¹ Norman Gibbs to Commissioner of Unemployment, 20 December 1932, Mines Department, MD 41, 11/2/18, ANZ-W; J.D. Cumming to Minister of Public Works, 15 July 1962, Inspector of Mines, BBDO 18634, A902, box 58 folder 4, ANZ-A.

¹²² E.O. Macpherson, 'Report on Te Aroha Mining District', 14 November 1932, p. 1, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹²³ Macpherson, p. 1.

¹²⁴ For both men, see paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

prospected by drives or small shafts years previously and either proved barren or too poor to encourage the prospectors of those times. Lodes varying in width from 1 foot to 4 feet and some up to 25 feet were visited, they are so numerous that the discovery of a few extra would mean very little. It was first planned to map these, but they were found to be so numerous and scattered through the dense bush, and they were of such low value that the expense and labour in fixing their position was not justified....

Representative samples of quartz from many lodes were crushed and panned to find out if any had merit above the rest, the idea being to devote attention to the more promising ones. In none of these pannings did we see free gold. The two prospectors, who had been camped on the ground for 8 months, further informed me that they had crushed samples from many outcrops and had not been successful in getting very encouraging dish prospects; it seems almost certain from this that free-milling stone is at least very scarce in the Mangakino area.

Samples taken 'across seven of the more promising looking lodes' and assayed in Wellington produced 'extremely low' values, confirming Downey's earlier samples. 'The discovery of a rich ore shoot' seemed 'quite remote', and using unemployed men to prospect this remote area was not justified.¹²⁵ The top level at Tui was inspected, but being held by a private company was not available to the unemployed. The former Peter Maxwell, now the Huia, was then examined. He accepted Downey's seven April samples, the best worth 5s 9d and the lowest nil, as adequate and in line with what he had discovered in the Mangakino area. As Urquhart Brand Inglis, of the Coromandel School of Mines,¹²⁶ had obtained 'very much higher' results, and one taken by Gibbs in Macpherson's presence gave £2 17s 6d, the evidence was 'quite conflicting and the erratic results from crushings and assays' suggested 'patchy distribution of values and the need for more exploratory openings and careful sampling of full working width of lode. It is useless to do any more sampling until fresh faces of ore are exposed'. As this lode was the only one he saw with free-milling ore, further prospecting was 'justified', although it could 'only be considered a prospect'.¹²⁷

Macpherson then investigated Waiorongomai:

¹²⁵ Macpherson, pp. 2-4.

¹²⁶ See paper on company formation in the Te Aroha Mining District in the 1930s.

¹²⁷ Macpherson, pp. 4-6.

If we take the present value of gold at £6 4s per oz then the value per ton of this ore is £1.16; extraction cannot be far above 92%, the haulage from the mines to the battery was 3/- per ton in 1901, and taking mining and treatment costs at £1 5s per ton, this would leave 5/- per ton to pay interest on capital invested, and provide for amortization [a sinking fund to reduce debt], and administrative costs. These figures are of course only tentative but they are suggestive, the inference is that the working margin of profit is too small.

Great hopes are entertained that gold will rise even higher and may even reach £7 or even £8 per oz, in the light of recent events this possibility is now remote, but this only complicates the problem of financing mines. The Waiorongomai group may well be well worth serious investigation with gold at £6.10 to £7 per oz; the difficulty then arises, how long will this high price be maintained for if mining estimates are based on this high value and the value of gold is some time later fixed at a lower value or recedes to what was previously considered the normal value then the enterprise would be doomed.

The original value of gold seems to be the only safe basis for mining estimates until the situation is clearer, and on this estimate we must conclude that the ore is too low.¹²⁸

It would be difficult to use unemployed men as 'all the likely and most of the possible gold bearing land' was pegged off, forcing them to search the 'rougher, trackless country'. Possibly 'arrangements could be made between claim owners and unemployed men', but as many of the former were 'workless men themselves' he assumed they were 'not financial'. Although owners hoped to float their properties, this required systematic sampling to prove values and tonnage, and, on existing evidence, 'the working margin of profit' was too small. To prospect more remote localities would require 'a well organized and directed prospecting party ... manned by trained prospectors, acting under the constant supervision of a prospecting engineer', for 'the average unemployed man working without constant technical direction would fail' to discover anything worthwhile in the rough, bush clad, trackless hills.¹²⁹

This report was not released to the public. Kimbell accepted its argument that the field was unsuitable for unemployed men, and placed

¹²⁸ Macpherson, p. 11.

¹²⁹ Macpherson, pp. 11-12.

greater reliance on Downey's assays than Inglis'.¹³⁰ Downey considered his opinion that there was no area warranting prospecting had been vindicated.¹³¹ In the light of the report and Downey's views, the Commissioner for Unemployment decided not to send out prospectors.¹³²

EFFORTS TO OBTAIN SUBSIDIES CONTINUE

Shortly after his October meeting, Macmillan suggested money for prospecting could be obtained from the Art Union.¹³³ The grant of £250, made in the following February,¹³⁴ prompted Cumming to request a copy of Macpherson's report, which he was sure would at least recommend developing Waiorongomai.¹³⁵ Macmillan requested that a 'censured copy' be sent to Coulter and the secretary of the prospectors' association, but on the advice of the director of the Geological Survey the complete report was sent with instructions that nothing was to be published.¹³⁶ This failure to publish it meant locals could still argue that the area was well worth prospecting. In 1951, 'Argus' claimed that the 'mining inspector' had enthused 'over the real value of the field',¹³⁷ and three days later Scott claimed that Macpherson had supported mining and that 'about 95% of his submissions were similar to mine'.¹³⁸ Some local prospectors may not have been told its contents, but Scott and Cumming, to whom the report was

¹³⁰ Under-Secretary, Mines Department, to Commissioner of Unemployment, 19 January 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹³¹ J.F. Downey to Under-Secretary, Mines Department, 25 January 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹³² Commissioner of Unemployment to Under-Secretary, Mines Department, 21 February 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹³³ Minister of Mines to Robert Coulter, 19 October 1932, Mines Department, MD 1, 23/1/31, ANZ-W.

¹³⁴ C.E. Macmillan to President, Te Aroha Prospecting Association, 16 February 1933, Mines Department, MD 1, 23/1/31, ANZ-W.

¹³⁵ J.D. Cumming to Minister of Mines, n.d. [February 1933], Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹³⁶ Under-Secretary, Mines Department, to John Henderson, 2 March 1933; John Henderson to Under-Secretary, Mines Department, 6 March 1933; Minister of Mines to J.D. Cumming, 13 March 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹³⁷ Letter from 'Argus', *Te Aroha News*, 7 August 1951, p. 1.

¹³⁸ Letter from Charles Scott, *Te Aroha News*, 10 August 1951, p. 4.

sent, both knew, and both ignored its conclusions. Secrecy meant that the *Auckland Star*, for instance, in noting an increased number of prospectors in mid-1933, some of whom were being subsidized whereas previously the department 'was not at all eager to give assistance', wrote that it was 'assumed' that Macpherson's report 'was favourable'.¹³⁹

Instead of Macpherson's measured assessment, readers of the *Te Aroha News* were treated in December to a romantic saga of heroic prospecting in the Huia, near the summit of the mountain:

Densely forested peaks bound the area held under prospect by the Te Aroha Gold Syndicate. To those used to viewing the Coromandels from the green levels of the Hauraki Plains it is impossible to imagine the seemingly endless waste of forest growth that extends ridge beyond ridge below Aroha's summit. In this wilderness of sheer mountain pinnacles, rocky chasms and swift-flowing streams, gold has been discovered. Over 30 payable reefs ranging from a few to over 50ft wide have been found and prospected with good results. The syndicate's total claim extends over 500 acres of rugged broken country traversed by mighty reef lodes that find their outcrops in jagged mounds over which Nature has flung a ragged mantle of forest growth. The great bulk of the area is genuinely virgin, never having known the prospector's pick until comparatively recent times....

On Tuesday last a News representative, accompanied by Messrs Gibbs and R[eginald Walter] Devey, visited the area.... After a five mile trip through glorious bush scenery the camp was reached. The hut, a tiny one of corrugated iron, nestles in the shadow of a spur which attains an altitude of 2500ft.

Little time was lost in luncheon and we set out armed with candles, matches, half a dozen sample bags and a pick, to see and explore. A short distance from the shanty the low level drive of the western branch of the mammoth Huia reef is situated. Into this we went for about 180ft. There was encountered a sudden turn, the reef veering sharply at right angles and maintaining a strong nature until the tunnel ceased after another 70ft. In width it ranged from about 3ft to 5ft, and contained some fine ore which I understand assays up to £15 per ton. Higher up another drive on the same reef was explored, a pocket in the roof being pointed out where it was claimed quartz yielding 20oz of gold had been taken out. Climbing again we reached the crest of the reef which bore obvious traces of the work of Messrs Newsham and Chalton nearly 20 years previous. Here it was the old prospectors discovered free gold, but had they driven in a further 2ft very rich ore would have been theirs. A sample of this reef was taken and

¹³⁹ *Auckland Star*, 3 June 1933, p. 4.

filled into No. 1 bag. A halt was called on the very peak of the outcrop, the decomposed nature of which resembled loose pumice. This was claimed and proved later to contain payable free gold. No. 2 sample was taken. Higher on the same reef, at a spot at present being worked by Mr Gibbs' workmen, the exposed reef measured a good 15ft. Still following this giant lode more cuts were encountered till we reached the top of the hill, where the reef was encrusted with a black earthy substance with which we filled No. 3 sample bag. The reef now took an abrupt turn, keeping to the side of a steep valley and finally disappearing. About three-quarters of a mile over the top of dense forest the outcrop again reared its head, and this we made our objective. Bursting our way through the undergrowth, scrambling over boulders and shingle beds, we came at length upon the reef. It was a regular cliff, towering above us some 50ft. This had already been prospected and several faces worked. The reef went in a straight bold line down the face of the valley. We traced its course, swinging our way along per the use of saplings and vines. The track became indiscernible. Broken country cut into deep rocky chasms by mountain streams lay in our path. These we negotiated without mishap. We found ourselves scrambling down the bed of the stream which became steeper and steeper, finally ending in an abrupt cliff. Momentary consternation, until our dog, a fine large sporting fellow, led onto a new track. Our leader apologised - it was the wrong gorge. We struggled gamely on till another bluff 80ft to 100ft high was encountered. That it was an outcrop was beyond the slightest doubt, as the white quartz was plainly visible between the roots of the trees that crowned it.

"Good values here," said Mr Gibbs, and dived off down an escarp which was half hidden by the mountain flax. We followed it and came out on to the reef again. Here it had been stripped completely bare by a strange fluke of nature. Last year a snow storm had so burdened the trees they had become top-heavy, and dragging roots and soil clear had exposed a beautiful lode fully 50ft across. Samples of the lode were placed in No. 4 bag.

A smaller reef in an isolated position was next visited. It was composed of cromite, a dark substance like a newly broken steel bar or casting. The ore presented in places a showy picture of bright blues, purples and greens. By another route we climbed back to the camp - a good mile away - reaching this delectable spot at 1.30 p.m. An interesting performance was the crushing, dollying and panning of the samples we had collected. No. 1 showed that yellow metal before half panned, when the washing was completed a distinct tail 3in to 4in long was visible. The second bag of loose white pumice yielded another good prospect of very bright gold mixed with a fine black sand which only served to further enhance the yellow gleams in its midst. Nos. 3 and 4, though not quite as good as the previous bags, showed very

pronounced tails, and were described as being well worth developing.

The whole of the afternoon we devoted to exploring the eastern portion of the claim. Reefs of all sizes were encountered until one became lost in the intricate maze of interlocking leaders. The rugged quartz ridges were traceable by virtue of periodic outcrops. Climbing up a steep creek bed we arrived at a huge reef which had been uncovered by another fluke of nature. Here giant trees had been dislodged by a storm and exposed a lode 25ft wide or more. The reef had been well prospected as was borne out by the open cuts which had been blasted out like small road cuttings. This great mass of quartz extended for many chains, diving at length beneath the bed of another creek, where the water exposed its crystal-light whiteness. Here without the slightest exaggeration the reef measured a good 40ft in width.

“Let’s take a peep from the lookout,” said our leader, as he struck up a densely covered slope. A blazed track was our guide through a veritable jungle of mountain flax. Through half a mile of this we passed, at length coming to the end of a ridge terminating in an abrupt knob. Here from a platform in the branches of a stunted mountain tree was to be seen one of the finest panoramic views to be had from the ranges. Four hundred feet above us on the west towered the summit of Aroha....

Part of the Mangakino valley is included in the syndicate’s claims. In its sheer slopes are half a dozen known reefs and the valuable Ruakaka section. It is bounded by the old Premier claim at Waiorongomai and takes in all the upper reaches of an immense basin. Thousands of acres of new country await the pick of the prospector, and to those who have the true pioneering instinct the virgin tract presents the greatest possibilities. It was 3.30 p.m. when we left the look-out and we lost no time in making our way back to the camp.

A surprise awaited us. The two miners, Messrs Neilson and Shelverton,¹⁴⁰ had struck in the course of blasting the top of the Huia reef a new and promising looking quartz. No time was lost in crushing and washing, to the intense interest of all present. The result surpassed all expectations and from the few handfuls yielded about a quarter of a teaspoon full of gold. Everyone was elated.

So we bade farewell to the Te Aroha mountain mines, around which so many hopes were centred. Will they fulfil the expectations of their promoters or justify the confidence of investors? Let us hope so. One thing is assured; that is as far as quantity is concerned there is unlimited supply. Gigantic reefs extend to east, west and south. Good assay values tell their own tale, and if the dream of the company is realised even in a small

¹⁴⁰ Possibly Harry Shelverton? See Death Notice, *New Zealand Herald*, 30 June 1937, p. 1.

degree Te Aroha will become a mining centre of great importance.¹⁴¹

These assay results were never published. In August, Gibbs had invited a reporter to witness the hand crushing of a small quantity of quartz from one of his claims which produced 'a tail or stream of good rich coloured gold about 5in in length', allegedly proof of free milling ore. 'Most of the ground has never been previously prospected, and several large reefs containing free gold have been located after extensive prospecting'. The largest reef was 40 feet wide.¹⁴² In fact, as Gibbs admitted to Downey later that month, in three months of prospecting his Mangakino ground Hopson and McMillan only found small reefs of little value.¹⁴³ A little over three months later, all they had found was traces of free gold in the creeks.¹⁴⁴ The following January he told Downey he had spent £108 'in prospecting, locating reefs, opening out and testing' some near the top of the mountain, and had cut 'tracks in many directions through the bush and across the ground', but did not mention the rich ore the newspaper had reported.¹⁴⁵

In January 1933, a bizarre story heightened expectations. A Paeroa resident, the *Te Aroha News* related, had found gold in the crop of a goose being dressed for Christmas dinner:

The gold was quite evident in eight stones which were found in the crop of the goose and there is some speculation as to whether or not there is more of the precious metal in the vicinity where the bird had been feeding. The goose had been purchased in Te Aroha and the previous owners will probably spend the next weekend in gold prospecting.

The fact that the bird was bought from a Te Aroha resident lends fresh colour to the contention that the precious metal is situated closer to the town than most people are wont to believe.¹⁴⁶

¹⁴¹ 'Search for Gold', *Te Aroha News*, 9 December 1932, p. 5.

¹⁴² *Te Aroha News*, 3 August 1932, p. 5.

¹⁴³ W.J. Gibbs to J.F. Downey, 22 August 1932, Inspector of Mines, BBDO 18634, A902, MM224, ANZ-A.

¹⁴⁴ W.J. Gibbs to J.F. Downey, 1 December 1932, Inspector of Mines, BBDO 18634, A902, MM224, ANZ-A.

¹⁴⁵ W.J. Gibbs to J.F. Downey, 14 January 1933, Te Aroha Warden's Court, Mining Applications 1933, 4/1933, BCDG 11289/2a, ANZ-A.

¹⁴⁶ *Te Aroha News*, 4 January 1933, p. 5.

This 'diverting story' caused 'endless comment and not a few smiles', but because many ridiculed it the newspaper provided the names of those who had sold and purchased the goose and reported that the gold had been 'carefully examined and proved to be genuine'. The site of the goose's prospecting, believed to be an old gravel pit near Manawaru, was thoroughly investigated. 'Those inclined to scoff' should 'bear in mind the fluke discoveries of many of the most famous mines in history. In Australia a rich field was discovered in circumstances closely akin to the Manawaru goose, which everyone is hoping will produce a golden nest-egg'.¹⁴⁷ The version of this story that spread to Wellington was that a settler had shown an Auckland journalist the upper and lower jawbone of a sheep with almost all the teeth covered in bright gold; the unnamed settler was 'reticent' about where it had been grazing.¹⁴⁸

Also in January, the *Te Aroha News* noted that prospecting was continuing with 'unabated vigour and numerous claims have been pegged during the last month. Two large companies' were being formed to work '500 and 150 acres of rich quartz bearing country ... almost behind the Aroha peak'. Well over 2,000 acres were held under mining licenses. Claims were made of 'unlimited gold bearing quartz' with 'very rich values' and that valuable reefs could be found between the Mangakino Valley and Karangahake and Waihi, a view based on 'most encouraging' assays obtained by Hopson and McMillan (the complete opposite of what they had told Macpherson and what Gibbs had told Downey). Unnamed 'mining experts and metallurgists' had 'all expressed the opinion that the millions of tons of ore in these reefs will yield a rich return if systematically worked'.¹⁴⁹

Such articles increased the pressure on Macmillan from Te Aroha constituents and encouraged amateurs to go prospecting, in one case very briefly:

A party of amateur Te Aroha prospectors having had their eyes upon a piece of mountainous land above the town which was reported to be "holding it rich," departed last weekend to peg this spot out. After a fairly strenuous climb the place described to them was reached and they proceeded to explore. One of them, a well-known civil servant, detected the ominous grunts of wild pigs

¹⁴⁷ *Te Aroha News*, 27 January 1933, p. 5.

¹⁴⁸ Press cutting of *Dominion*, 6 February 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁴⁹ *Te Aroha News*, 6 January 1933, p. 4.

coming from a nearby gully. There were obvious traces of animals on all sides, and after holding a council o' war, with the grunts and crashing of the undergrowth coming nearer every minute the three heroes decided to judge discretion the better part of valour, and took to their heels. They are naturally reticent about their rumoured gold find.¹⁵⁰

Downey continued to warn that no payable ore would be found and that increases in the price of gold would be offset by increases in the cost of living and erecting a plant.¹⁵¹ Although the decision to subsidize prospecting would be made on political grounds, not everything that was requested was provided. In March, Cumming asked the Commissioner for Unemployment to provide a portable battery because the cost of transporting ore to Thames removed all profit.¹⁵² The local unemployment committee, in supporting this request, claimed a 'large number of workers' would use it.¹⁵³ The request was declined because there was 'no organized scheme' for supervising unemployed men and reports did 'not warrant' the one setting up.¹⁵⁴

In early April, Cumming provided details of the programme of prospecting devised by Scott and approved by the prospectors' association. Men were to investigate Stoney Creek (an area not visited by Macpherson because Downey and Smith considered it worthless), each one providing a prospecting dish and pick, blankets, and one week's rations. The association would provide explosives and a tarpaulin for the hut. Each man would be given sample bags and a diary for entering details of their work, which were to be given to the supervisor each night. He would 'dolly and dish such samples and personally investigate anything that seems worthy', ensure samples were representative of the ore body, and map all important data, submitting a weekly report to the trustees.

¹⁵⁰ *Te Aroha News*, 29 March 1933, p. 4.

¹⁵¹ J.F. Downey to Under-Secretary, Mines Department, 10 February 1933, Mines Department, MD 1, 10/2/33, ANZ-W.

¹⁵² J.D. Cumming to Commissioner of Unemployment, 18 March 1933, Mines Department, MD 41, 11/2/18, ANZ-W.

¹⁵³ Norman Gibbs to Commissioner of Unemployment, 23 March 1933, Mines Department, MD 41, 11/2/18, ANZ-W.

¹⁵⁴ Commissioner of Unemployment to J.D. Cumming, 5 April 1933, Mines Department, MD 41, 11/2/18, ANZ-W.

After erection of hut at the base, the Supervisor will distribute his men fan-wise and instruct them to systematically prospect the ground allotted there. Loaming, dishing, trenching, & cross trenching will be the methods adopted ... but the prospector will of course keep his eyes out for outcrops, old workings, floaters etc.

Married men would receive £2 per five day working week, single men half that, and the supervisor £2 10s. Although higher than the normal allocation, these rates were justified by the rough country and the approach of winter.¹⁵⁵

Kimbell told Macmillan that, before deciding whether to accept this plan, he wanted discuss the proposal with Downey and with the prospectors 'on the ground'.¹⁵⁶ When meeting the association on 1 May, Macmillan suggested the £250 from the Art Union might be used to provide a battery. Scott gave his views on the quality of the ore, contending that areas worked profitably 40 years ago 'would be still more profitable today'. Macmillan responded that 'investors could not be expected to take much notice of very small quantities of ore, but if a return from fair bodies of ore could be demonstrated capitalists could soon be interested'. Scott wanted government assistance, claiming that 'if a big reef were worked 75% of the money would come back to the State'. Although Macmillan denied this, he 'emphasized that he wanted to allay the bogey about there being no gold at Te Aroha, and definite proof obtained that it existed or otherwise'. Coulter expressed puzzlement that the Unemployment Board would not send out prospectors, prompting Kimbell to suggest that Macpherson's report meant the board 'thought the area was not worth trying out'. Scott responded that it should be published, for 'Macpherson had by no means condemned the district'. Kimbell mildly replied that 'he gave it very faint praise', and wanted 'a concentrated effort to prove what was actually present' deprecating 'glowing reports in prospectuses', a discreet reference to a new company, the Te Aroha-Karangahake Gold Mines.¹⁵⁷ He suggested the association apply for areas suitable for the unemployed to prospect. Macmillan concluded the meeting by stating, in response to Scott's

¹⁵⁵ J.D. Cumming to Under-Secretary, Mines Department, 4 April 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁵⁶ Under-Secretary, Mines Department, to Minister of Mines, 8 April 1933; Under-Secretary, Mines Department, to J.D. Cumming, 10 April 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁵⁷ See paper on company formation in the Te Aroha Mining District during the 1930s.

gratitude for his assistance, that 'we are getting slowly seized of your difficulties, and I am hoping we shall get out of them'.¹⁵⁸

The *Te Aroha News* was pleased by the revival of prospecting, approved of the council clearing the upper track to enable ore to be sledged down, and gave another version of the romantic life of the lone prospector:

For many months, and even years, lone seekers of gold have wrestled with their claims high on the mountainside in the upper end of the valley. Little or no assistance was forthcoming and with only the faith in their own patch of rocky mountain land and in the silence of the dense native bush they have toiled the long tedious hours of the day away making home at nightfall for the rude comfort of a digger's hut and a tin fire chimney.¹⁵⁹

(In addition to the 'rude comfort of a digger's hut' the old stables at the head of Butler's Incline was used for accommodation.)¹⁶⁰ This 'pioneering' recalled to the newspaper's mind 'the earlier days of colonisation. The relentless search for the precious metal is bringing its reward at last and the quartz to be sledged to the plains is claimed to be highly valuable and capable of yielding a most profitable return'. The current mild case of 'gold fever' meant that, whereas there had been 16 applications for mining licenses in 1929, 20 in 1930, and 28 in 1931, 47 had been made in 1932 and in the first three months of 1933 23 were granted, with many more yet to be considered. Practically the whole of the mountain was pegged out, but 'the immense stretch of the bush-filled Mangakino Valley' was 'practically untouched'. All Waiorongomai was taken up apart from 'an occasional piece or two'. Although 'many watching for the long expected outbreak of mining doubtless are speculators', often 'the richest strikes' were 'made by accident' when 'a speculative owner' found gold 'by pure fluke', and it hoped 'that luck of this nature attends the Te Aroha claimholder, amateur or professional'. Carting quartz 'in bulk' was 'a pleasant change from the sample lots' of the past, and if the quality of the ore was 'on a par with the quantity' to be

¹⁵⁸ Notes of meeting between the Te Aroha Prospectors' Association and the Minister of Mines at Te Aroha on 1 May 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁵⁹ Editorial, *Te Aroha News*, 12 April 1933, p. 4.

¹⁶⁰ J.D. Cumming to J.F. Downey, 19 July 1932, Inspector of Mines, BBDO 18634, A902, MM74B, ANZ-A.

worked, Te Aroha might 'hope for some definite development of a long sleeping goldfield'.¹⁶¹

Coulter did not have such a relaxed attitude to speculators, whom he considered as big a problem as shortage of capital. After telling Macmillan that 'several small mines' were being held back 'through lack of finance', he added that 'a great part of the gold area was being held by people who made no attempt to prospect, and who were just waiting for someone to buy them out'. This was 'one of the biggest drawbacks to going ahead with prospecting'.¹⁶²

In early May, Kimbell informed the Commissioner of Unemployment that the £250 from the Art Union was to be spent on ten men, who were already erecting a hut and clearing tracks at Stoney Creek under the direction of a competent man, Francis Vardon Lily Hennah.¹⁶³ 'The Minister was much impressed with the work in hand', and wanted the usual subsidy paid.¹⁶⁴ Willis regarded Hennah as being 'easily the most suitable man' to be supervisor, for which he received a special subsidy of £2 per week.¹⁶⁵ Herbert Cumming, Charles Findlay Allan, Thomas Rifle, George Victor Sproul, and Robert Fitzroy Spensley¹⁶⁶ were members of the party.¹⁶⁷ Hennah's diary clearly outlined the work done. For the first week, ending 6 May, the track to the top drive was cleared, a ladder was made, and ore was obtained from the bottom of an old winze. 'Allan and self samples two reefs up West Creek - poor results'.¹⁶⁸ No. 2 level was cleaned out, timber cut for placing in drives, surface and underground samples taken, and tracks

¹⁶¹ Editorial, *Te Aroha News*, 12 April 1933, p. 4.

¹⁶² *Te Aroha News*, 3 May 1933, p. 5.

¹⁶³ See paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

¹⁶⁴ Under-Secretary, Mines Department, to Commissioner of Unemployment, 4 May 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁶⁵ A.L. Willis to Commissioner of Unemployment, 26 June 1933; Commissioner of Unemployment to A.L. Willis, 26 June 1933, Mines Department, MD 41, 11/2/18, ANZ-W.

¹⁶⁶ For all these men, see paper on prospectors and investors in the Te Aroha Mining District during the 1930s.

¹⁶⁷ Te Aroha Warden's Court, Register of Applications 1921-1934, Hearing of 8 June 1933, BBAV 11505/6b, ANZ-A.

¹⁶⁸ F.V.L. Hennah, diary entry for 2 May 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

cut.¹⁶⁹ Similar work continued during the following weeks, most prospecting, on the surface, finding only traces of gold. They covered more of the hillside, by 15 May inspecting the old Eureka claim, without success. Scott, who inspected the work, regularly informed the Mines Department and the Commissioner of Unemployment that the ‘carefully selected’ men were ‘all keen’, doing ‘splendid work’, and being taught mining skills by Hennah.¹⁷⁰ Values continued to be disappointing, and the work hard because of the arduous topography.¹⁷¹ By 20 October, all but £12 4s 9d of the £250 had been spent and the men were running out of explosives, which they could not afford to buy.¹⁷² By then, they had set up camp near Diamond Gully, still without finding any ore worth crushing.¹⁷³

On 8 November, Spensley wrote to Macmillan:

Re 8A scheme on Te Aroha Hills.

I have refrained from writing you earlier for fear I may dampen the continuance of the above scheme on the Te Aroha hills, and I have no wish to do this on the whole, as I am satisfied there is good work being done by some of the parties now operating here.... I ... am still vigerously keen on continuing with hope of success.

And what I wish to refer to here is our own party originally initiated from the Te Aroha prospectors Association, now extinct except for Mr Scott who is apparently assuming he is “Lock Stock & Barrell” of this assn for there has been no meetings held on behalf of the prospectors Assn for several months & at the last of which Mr Scott tendered his resignation as President. As you are aware Mr Hennah who is just on 70 years of age is the supervisor of our party, but I think too much dominated by Mr Scott who

¹⁶⁹ F.V.L. Hennah, diary entries for 3-5 May 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁷⁰ Charles Scott to Under-Secretary, Mines Department, 6 May 1933, 13 May 1933, 22 May 1933, 4 June 1933, 4 June 1933, 11 June 1933, 18 June 1933, 21 June 1933, 30 June 1933; Charles Scott to Commissioner for Unemployment, 21 May 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁷¹ F.V.L. Hennah, diary entries 8 May 1933-23 June 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁷² Charles Scott to Under-Secretary, Mines Department, 20 August 1933. 30 October 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

¹⁷³ Charles Scott to Under-Secretary, Mines Department, 30 October 1933; J.F. Downey to Under-Secretary, Mines Department, 4 November 1933, Mines Department, MD 1, 23/1/20, Part 1, ANZ-W.

may have considerable knowledge of mining in theory, but in my opinion he has not too much practical knowledge of prospecting, especially this class of country anyway, and owing to the poor progress we have made I feel sure, we could not have done worse if we had remained under Mr Jim Cumming as supervisor, & I believe we would then have done much better with him, as he has an intimate knowledge of this particular country as well as practical experience. I have every confidence there is Gold in these hills in more than sufficient quantities to pay for working, and some day will find work for hundreds & possibly thousands of men as well as being revenue to the country, but there is a right & a wrong way of going about it, & I feel we are not going as a whole the right way.

There are three parties under this scheme prospecting on these hills, & though we are the larger party & have been the longest at it, we have the least to show for it. Of the other parties, one has got so far as they will soon have a small battery installed & operating, with good prospects of further development & the other party is on something well worth while working, but ours, very little to show for the time, which is in my opinion because of too much running about & not concentrating enough on places showing fair prospects until they are proved worth while going on with or not. We have a claim of our own which has not yet been prospected over one third the area, yet three or four of us are put on to claims that belong to someone else & in most cases where Scott himself is an owner or part owner & had we found anything we would have to be dictated to as to what was to be our share.

Since starting under this scheme myself and mate (C. Allan) who has now left (owing to his dissatisfaction in the way of this working,) he & I have worked practically the whole of our time on part of our claim (the Wallaby) & I with another are still working there, while the others have gone over to a claim called (Eureka) at Waiorongomai & held by others, Scott being one of them yet we have no agreement with them & by rights have no right to be there. I am not doubting Mr Scott may be anxious to land something worthwhile, so are we all, myself in particular, but I think we should all concentrate on our own claims until it is proved one way or the other & only then should we look for the next best thing & get right into it, & not have some running about the country in this manner scratching over old workings that have been abandoned. We must first have the claim practically to ourselves & have all there is in it if we strike Gold. As in my opinion, the Claim has yet to be found in these parts which is rich enough to keep a lot of drones as well as ourselves the workers.¹⁷⁴

¹⁷⁴ R.F. Spensley to Under-Secretary, Mines Department, 8 November 1933, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

Eleven days later, Spensley wrote to Kimbell because, having ‘a feeling Mr Scott & Hennah will endeavour to prejudice me in your eyes’, he wanted to defend himself. He explained that the method of working was not ‘consistent with the principals of the 8A scheme & therefore not worked to the best advantage of our party’:

To facilitate concentrating on our party's Licence (as Hennah expressed he intended doing so) I applied to the Court to Surrender the Licence held in my own name, and this is what seems to have started the more recent trouble, as it appears one of our members went to the Courthouse & saw my application for Surrender ... and he misconstrued this to read that I was applying for the forfeiture of a Licence of 100 acres (the Eureka) at Waiorongomai & held in the name of Mr Lovie & which Scott & Jim Cumming held equal shares, and I believe Scott then got busy & wrote you condemning me for doing this, as he supposed I had done [for once, Scott had not written], also & that it was the fault of the Association that there had been so little done on the Eureka (this none of the party knew anything about) but when he found out later there was no truth in me pegging it out or applying for it, Scott then decided with Hennah, [William John] Bain¹⁷⁵ (Hennah's son in law) & H.A. Cumming to go over & there build a hut & do some work on this claim (while C. Allan & myself were left to carry on the work in our party's claim), and to later apply for the Eureka, cutting out [William Gladstone] Lovie¹⁷⁶ & Jim Cumming, but keeping Scott in & also bringing in two other outsiders as sleeping partners, to which I have strongly opposed as the principal & methods adopted. Though I was not opposed to us as a party applying for it in the proper way & consistent with the 8A scheme, and if any of the present owners are to be kept in it, then the whole three should remain under certain conditions, but not just because of Scott & Hennah's personal grievance or spite that Lovie and Jim Cumming should be cut out.

Spensley considered it was worth working the Eureka and wanted to be a member of the party if it was worked properly, but believed Lovie had ordered everyone off it. Scott and Hennah were ‘putting up the pretence they are there to trace reefs over into our party's Claim, which to my mind is not the most practicable’. Their party was down to four, Sproul ‘taking other

¹⁷⁵ See paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

¹⁷⁶ See paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

work, mainly because of this trouble', and he asked permission to work under the scheme in another claim, 'if I can find a possie suitable'. In a postscript, he added that Scott

told me he had shares in no less than five different claims in these hills, & yet he has not put in one hours work on any one of them. It seems to me he would not mind us working anyone of them, & all he has promised is what Gold we can win, & in most cases it would take months of development work & then he could say get out you have finished & then sell over the top of our heads.¹⁷⁷

Kimbell advised that the warden was only person who could do anything.¹⁷⁸ The following day, James Cumming informed Macmillan that he, Thomas Harold Roland Jones,¹⁷⁹ and Norman Neilson comprised the Maidos Prospectors' Party, and requested another six months' assistance. A two-head stamper battery was being built for them, but as they did not know how much it would cost they were 'designing the whole of it ourselves, and the Foundary is using parts of shafts etc that they are purchased for smelting down' to reduce costs; his horse was dragging the battery to its site. Without 8A assistance, they would be unable to carry on.¹⁸⁰

In early December, Downey reported that the prospectors had done a lot of work over a considerable area without finding anything payable. Of the 23 samples sent to the Waihi School of Mines, results ranged from nil to £1 1s 6d, the average being 6s 2d. Thames results were also low.¹⁸¹ On the same day, he asked Henna to inspect the assisted prospectors' work. As Allan and Sproul had left, only four men remained in the Te Aroha (otherwise Stoney Creek) Prospectors' Association party. They had abandoned a winze at Stoney Creek after sinking 15 feet because the ore was too poor, and apart from some surface prospecting had driven 45 feet in

¹⁷⁷ R.F. Spensley to Under-Secretary, Mines Department, 19 November 1933, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

¹⁷⁸ Under-Secretary, Mines Department, to R.F. Spensley, 27 November 1933, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

¹⁷⁹ See paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

¹⁸⁰ J.D. Cumming to Minister of Mines, 28 November 1933, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

¹⁸¹ J.F. Downey to Under-Secretary, Mines Department, 6 December 1933, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

the old Gentle Annie claim with another 50 feet to go before hitting the reef. Another lode near Diamond Gully was to be tested. The Maidos Prospecting Party had driven 27 feet on Pease's claim and excavated their battery site. The third party, Charles Thomas Young and Clarence James Kennedy,¹⁸² had extended an old crosscut by ten feet: 'country in face dangerous'.¹⁸³ This party had broken up when the two men 'became bad friends' and would not work together, but they were later reconciled; they called themselves the Governor's Party.¹⁸⁴

On 11 December, the Commissioner of Unemployment told the Mines Department that, in the light of unfavourable reports, he would like to end the 8A scheme at Te Aroha.¹⁸⁵ However, Willis gave Hennah's party a 12-week extension.¹⁸⁶ On 21 December, Smith reported on the prospecting parties. All were working on claims owned by others, and James Cumming said that he had seen Hennah only twice in 21 weeks, partly because Hennah lived on his farm at Tirohia and camped with his party during the week.¹⁸⁷ Smith visited on 17 January and tested a 'very poor' reef exposed by the Maidos Prospecting Party. As there was 'no chance of making a reasonable working agreement' with Pease, he recommended that they accept work offered by a mining company. There was 'no hope of them ever doing any good where they have been working for the past 26 weeks'. The Governor's Party was driving on a two-foot reef in their claim, but an assay gave only a trace of gold. Hennah's party was also driving in their own ground, and he told Hennah to visit all the men at least once a month. 'The whole arrangement here seems to have been very badly managed, no definite instructions have ever been given to the Supervisor'. His

¹⁸² For both men, see paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

¹⁸³ F.V.L. Hennah to J.F.Downey, 22 December 1933, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

¹⁸⁴ A.L. Willis to Commissioner of Unemployment, 28 September 1933, 31 January 1934, Mines Department, MD 41, 11/2/18, ANZ-W.

¹⁸⁵ Commissioner of Unemployment to Under-Secretary, Mines Department, 11 December 1933, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

¹⁸⁶ A.L. Willis to Commissioner of Unemployment, 29 December 1933, Mines Department, MD 41, 11/2/18, ANZ-W.

¹⁸⁷ J.W. Smith to Commissioner of Unemployment, 21 December 1933, Mines Department, MD 41, 11/2/18, ANZ-W.

recommendation that the Unemployment Board's mining engineer, Hugh Crawford, be placed in charge of prospecting was accepted.¹⁸⁸

At the end of January 1934, Willis reported that, as the Maidos Prospecting Party was reportedly working for a private prospecting party, had not put in a report, and had made no application for the payment of their subsidy, he had cancelled it.¹⁸⁹ At the beginning of March, he reported that Kennedy had obtained work with another such party, that Hennah's party had dwindled to himself and Spensley, and that Herbert Cumming had only done two days' work in the past three weeks. As six men had to work for the subsidy to be paid, he had suspended all subsidies whilst awaiting instructions.¹⁹⁰ Crawford, who visited Te Aroha on 21 March, did not think Hennah and Spensley would find payable ore in their area; their last assay was 10s. Their tools were 'in very poor order', and they did not strike him as keen workers. He cited Willis' view that the men were 'more concerned with the subsidy than the locating of payable reefs as on numerous occasions he has seen them in the town when they should have been on their claims'. It was 'a waste of time and money to place any men in this area'.¹⁹¹ In late March he visited Waiorongomai, which he considered was unsuitable for prospecting because of its refractory ore. Any prospecting party should consist of 12 men under a competent supervisor, 'and the few men available' did not impress him. Men without experience with explosives would not get far in the hard rock.¹⁹² Downey agreed with Crawford's recommendation that subsidies cease, commenting that Unemployment Board money had been granted 'simply because it seemed that unless some little effort was made in this direction the local people who were agitating for it would never be satisfied'. Little had been achieved, the men were of

¹⁸⁸ J.W. Smith to Commissioner of Unemployment, 31 January 1934, Mines Department, MD 41, 11/2/18; Commissioner of Unemployment to Under-Secretary, Mines Department, 6 March 1934, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

¹⁸⁹ A.L. Willis to Commissioner of Unemployment, 31 January 1934, Mines Department, MD 41, 11/2/18, ANZ-W.

¹⁹⁰ A.L. Willis to Commissioner of Unemployment, 5 March 1934, Mines Department, MD 41, 11/2/18, ANZ-W.

¹⁹¹ Hugh Crawford to Commissioner for Unemployment, 24 March 1934, Mines Department, MD 41, 11/2/18, ANZ-W.

¹⁹² Hugh Crawford to Commissioner for Unemployment, 29 March 1934, Mines Department, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

poor quality, and it had all been a waste of money.¹⁹³ He refrained from adding, 'I told you so'. In June, the Commissioner of Unemployment decided no further 8A subsidies would be granted.¹⁹⁴

The 1936 comment by the new Minister of Mines, 'Paddy' Webb, that he had discovered 'comic opera mining methods' when inspecting mining in the Thames district that had been started to benefit the unemployed,¹⁹⁵ applied to Te Aroha also. This comment was made after he briefly visited while on a tour of Waihi and the peninsula, but he was much more diplomatic when meeting the inevitable deputation of prospectors seeking aid for Waiorongomai:

The Minister was most sympathetic, and pointed out that the main point appeared to be lack of finance for development purposes. He indicated that there were sources of capital available for genuine prospecting ventures, and considered that there should be every chance of obtaining some for the purpose of testing and working the field if it was proved payable. If this could be effected then the Government would assist materially, but Government finance could not be expected for mining ventures which were entirely without private capital.

He wanted to 'get down to the big questions and eliminate the unpayable ones'. Gold must be proved to exist in payable quantities before assistance was given 'in its abstraction. I should like to see this place tested, but it's useless for us to find money for every show – we haven't the funds to do it, in any case, and we would be heading for disaster'. To treat the low grade ores would require an expensive plant, and it was 'only right that the individual should find a certain amount of the money involved, to demonstrate confidence in the claim if nothing else'; should this be done his department would 'co-operate and give every assistance'. But the government would only help 'legitimate' companies, for it wanted to 'suppress speculating'.¹⁹⁶ These conditions meant that the change of government did not mean money would be poured into prospecting at Te Aroha.

¹⁹³ J.F. Downey to Under-Secretary, Mines Department, 12 May 1934, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

¹⁹⁴ Commissioner of Unemployment to Under-Secretary, Mines Department, 7 June 1934, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

¹⁹⁵ Cartoon, *Observer*, 19 March 1936, p. 3.

¹⁹⁶ *Te Aroha News*, 9 March 1936, p. 1.

HOPES CONTINUE

Despite the failures of the early 1930s, the *Te Aroha News* remained hopeful that a successful goldfield would develop. In November 1934, it claimed, or hoped, that new applications for claims indicated ‘unmistakably that in spite of years of quiescence’ renewed mining at Waiorongomai was ‘likely’ in ‘the not very distant future’.¹⁹⁷ On 11 May 1935, it reported that on the previous day, for the first time in two years, the warden’s court had no business to consider. It asked what had happened

to those syndicates, of which we can call to mind at least three, which took up large tracts of mountainous land and reported to the public in glowing terms the richness of the ore that lay there? Have they died a natural death, or merely faded out of the picture, as is so often the habit of companies seeking to promote that most transitory of industries - goldmining.

The remaining claims were all at Waiorongomai. Local residents had ‘grown so familiar with the rise and decline of prospecting companies formed with the purpose of testing’ the mountain that they had been little interested in the large plans announced. It wondered when ‘the long-coveted wealth’ would be won from the mountain’s ‘vast heart’.¹⁹⁸ Two months later, it wrote that the ‘eternal wrestle for the precious gold’ was likely to continue until ‘adequate financial backing’ was provided for ‘the genuine gold seeker’. It blamed the ‘apparent apathy’ of the average resident towards prospecting on the collapse of the initial enthusiasm. The few ‘diehards’ and speculators who believed there was wealth to win had searched for 30 years, ‘in a very minor manner’, frittering away money in small tests.

To-day the position is unaltered. One or two lion-hearted prospectors still cherish hopes of ultimate success, and these, ill-equipped and practically without support of any kind, courageously persist in fossicking the bushy gullies or combing out the old drives of past years’ activities. Yet we are continually assured, and that with all seriousness, that this mountain of ours contains wealth of untold vastness, mineral values “sufficient to wipe off the whole of the Dominion’s national debt.”

¹⁹⁷ Editorial, *Te Aroha News*, 7 November 1934, p. 4.

¹⁹⁸ Editorial, *Te Aroha News*, 11 May 1934, p. 4.

Systematic drilling was needed to locate the most payable reefs.¹⁹⁹ In January 1937 it again noted the lack of local interest in mining proposals but insisted that the mountain did ‘contain a vast store of riches for those that are willing to carry out operations on a large scale’. Despite all the disappointments, there remained ‘a group of old miners and others who have never lost faith’, and it was encouraged by a ‘fairly promising indication of a movement to develop Waiorongomai and other areas in a large and extensive scale’ with English and Japanese capital.²⁰⁰ This was the only reference to potential Japanese investment, and was another dream, along with the repeated claim that geologists considered the mineral wealth, ‘if it were workable, would more than pay off the whole of our national debt’.²⁰¹ The unnamed and possibly mythical geologists had included a large ‘if’ in that statement, making it meaningless, although the *Te Aroha News* missed the point.

This newspaper, with its vested interest in promoting the economic advancement of its district, was not alone in making hopeful prophecies. In 1936, the new minister received unsolicited advice from old miners. One, William Sharp McCormick, then aged 44,²⁰² claimed to have mined at Tui with his father in about 1902,²⁰³ an unlikely date, as he would have been ten years old. He had an interest in a claim at Tui in 1936, and invited Webb to inspect it with Edward John Scoble, the new mining inspector.²⁰⁴ He told Webb that the Champion lode ‘held practically the same concentrates as the Waihi. It was on the same line of reef’. Ore sent to Australia contained sufficient gold to pay all expenses. ‘Many years’ later he had sent six bags of samples to America, which were assayed as ‘very payable’.²⁰⁵ On the strength of this recollection, he visited Tui to advise Scoble and Crawford, and was impressed by their investigations. ‘I am

¹⁹⁹ Editorial, *Te Aroha News*, 17 July 1935, p. 4.

²⁰⁰ Editorial, *Te Aroha News*, 11 January 1937, p. 4.

²⁰¹ *Te Aroha News*, 3 May 1937, p. 5.

²⁰² Birth Certificate of William Sharp McCormick, 1892/11865; Death Certificate of William Sharp McCormick, 13 January 1954, 1954/24593, BDM.

²⁰³ Minutes of interview between W.S. McCormick and P.C. Webb, 2 March 1936, Mines Department, MD 1, 10/9/25, ANZ-W.

²⁰⁴ E.J. Scoble to W.S. McCormick, 18 May 1936, Inspector of Mines, BBDO 18634, A902, M85, ANZ-A.

²⁰⁵ Minutes of interview between W.S. McCormick and P.C. Webb, 2 March 1936, Mines Department, MD 1, 10/9/25, ANZ-W.

always quite willing to assist in any possible way and only hope Paddy that you pass legislation to stop a certain few from holding areas for exploitation purposes only'.²⁰⁶ In reality, Scoble and Crawford concluded that, while the northern portion was 'worthy of surface prospecting', they were 'convinced that anything of a payable nature will be found in short runs only'.²⁰⁷ Webb therefore had to inform McCormick that, as the assays were 'very disappointing', no action would be taken to develop Tui.²⁰⁸ McCormick's response was to write to Webb

personally as you know there is quite a few of us miners doing all in our power to help you to develop the field and getting things doing but there is a stumbling block as far as those assays are concerned on the Tearoha field etc and the majority have no faith in Crawford and his assays of the Thames School of Mines. Now Paddy I have here the results of five assays of the Tui ore,

which gave £3 10s 6d, a higher result than Waihi ore. Five assays done in Canada years previously gave a current value of £15 per ton. He had been impressed with Scoble's inspection, but claimed Crawford was 'personally prejudiced against the field as he has wrecked several attempts to float the field and advised the men putting up the money' for Gibbs' company 'to withdraw it at once'. Consequently he recommended assays should be done in Wellington, 'as a man cannot very well make the assays [and] disagree with previous assays taken from the same field and condemn himself. I have here a letter where a private assay went £10.0.0 a ton and the School of Mines 19/9 so you see there is something wrong somewhere'.²⁰⁹ Webb responded that he had full confidence in Crawford, for checks in Wellington had confirmed his assays; nevertheless, duplicate samples would be tested in Wellington next time.²¹⁰

²⁰⁶ W.S. McCormick to P.C. Webb, 4 June 1936, Mines Department, MD 1, 10/9/25, ANZ-W.

²⁰⁷ E.J. Scoble and Hugh Crawford to Under-Secretary, Mines Department, 2 June 1936, Inspector of Mines, BBDO 18634, A902, M85, ANZ-A.

²⁰⁸ P.C. Webb to W.S. McCormick, 13 June 1936, Mines Department, MD 1, 10/9/25, ANZ-W.

²⁰⁹ W.S. McCormick to P.C. Webb, n.d. [June 1936], Mines Department, MD 1, 10/9/25, ANZ-W.

²¹⁰ Frederick Jones (Postmaster General), for P.C. Webb, to W.S. McCormick, 25 June 1936, Mines Department, MD 1, 10/9/25, ANZ-W.

William Henry Featherstone had mined at Waihi from 1913 to 1916,²¹¹ where he had met W. Smith [probably William George Smith]²¹² and knew Sandy Simpson,²¹³ who had both worked at Waiorongomai at unspecified dates (they must have worked for wages, for they did not own any claims). Both claimed it was payable, but talked of a flooded shaft and of a low level that had been driven half-way until they ‘struck a hard marble bar which gave them a large amount of trouble’, London funds being exhausted attempting to drive through it. This unnamed mine should be drained and the unemployed set to work to extend the low level.²¹⁴ E. ‘Butcher’ Barnes, of Te Aroha,²¹⁵ wrote to ‘Dear Paddy’ that for a good number of years Neilson had been ‘pottering about the hills’ finding ‘a fair few prospects’. Now that the Tui track had been cleared, Neilson wanted to show Webb some good spots.²¹⁶ Asked to report, Crawford and Scoble met Neilson, which led to his being subsidised to prospect there.²¹⁷

Cumming, still describing himself as secretary of the prospectors’ association, in March 1936 objected to Clive Nettleton²¹⁸ shepherding his Waiorongomai claims without even paying his shepherd, Neilson. Cumming wanted to prospect part of this ground, claiming that he could produce payable ore. Nettleton’s syndicate had never coupled their air compressor, and their water pressure was insufficient to drive a drill for a full shift. ‘It has never been tested in the face’, and the money spent on it was ‘outrageous squandering’. Their drive had been ‘driven between two reefs with nothing to show, whereas if a reef had been driven on or a system had been cut to show investors then some useful work and development in my opinion could have been opened up’. He wanted them to work the claims

²¹¹ See *Ohinemuri Electoral Roll, 1914*, p. 31.

²¹² See *Ohinemuri Electoral Roll, 1914*, p. 94.

²¹³ Not identified.

²¹⁴ W.H. Featherstone to Minister of Mines, 8 August 1936, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

²¹⁵ Either Edwin Barnes, pensioner, or Ernest David Buchanan Barnes, testing officer: see *Tauranga Electoral Roll, 1935*, p. 10.

²¹⁶ E. (Butcher) Barnes to ‘Dear Paddy’ [P.C. Webb], 24 July 1936, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

²¹⁷ E.J. Scoble to Under-Secretary, Mines Department, 15 August 1936, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

²¹⁸ See paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

according to the regulations.²¹⁹ Cumming did not get access to their ground, and instead, in August, wrote that he and Neilson were finding good stone in the Huia.²²⁰ He insisted to the Minister of Industry and Commerce that the district could be profitably worked, as proof referring to a statement from an unnamed Canadian firm he had sent a small sample to in 1933. He asked for help for himself, for he was on sustenance and had seven children to feed, for his 'mate' Neilson, and for Hardy, as well as a battery for the district.²²¹ Downey advised that there was 'not a ton of ore broken out anywhere that would pay for treatment'.²²²

In November 1936, Crawford reported that it was hard to get good men to prospect between Te Aroha and Karangahake. Neilson had been cutting tracks there for some months and had found a reef with encouraging values. Needing someone to help Neilson in this 'rough and rugged' land, he had accepted an offer to assist from John Alexander McNeil,²²³ of Coromandel, and his two sons.²²⁴ Two subsidized parties prospected between the Mangakino Stream and the top of the mountain, Cumming taking food up to them twice a week.²²⁵ 'All keen on the job', reported Crawford; a large reef had been traced, but working at a 'very high' altitude meant they were sometimes hampered by fog and rain.²²⁶ Six assays were made of samples taken by McNeil's party, the lowest value being 3s per ton and the highest 18s.²²⁷ After this result, only 'a few colours of gold' were traced apart from an eight-foot reef that was 'very mixed and values low'. Having 'given this area a good try-out', all four men were sent to explore south of the

²¹⁹ J.D. Cumming to P.C. Webb, 7 March 1936, Mines Department, MD 1, 10/9/87, ANZ-W.

²²⁰ J.D. Cumming to Hugh Crawford, 19 August 1936, 21 August 1936, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

²²¹ J.D. Cumming to Minister of Industry and Commerce, 20 September 1936, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

²²² J.F. Downey to Under-Secretary, Mines Department, 1 October 1936, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

²²³ See paper on prospectors and investors in the Te Aroha Mining District in the 1930s.

²²⁴ Hugh Crawford to Under-Secretary, Mines Department, 10 November 1936, 30 November 1936, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

²²⁵ Hugh Crawford, Report for January 1937, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W.

²²⁶ Hugh Crawford, Report for February 1937, Mines Department, MD 41, 11/2/18, ANZ-W.

²²⁷ Thames School of Mines, Assay Book 1936-1938, entry for 28 January 1937, School of Mines Archives, Thames.

Karangahake trig in March, no subsidised prospectors remaining in the Te Aroha district.²²⁸ No more were ever appointed.

In May 1937, Cumming informed Scoble that he proposed to re-open the Tui low level to make tests, and asked for advice and the assay results from samples taken by Scoble and Crawford. 'We would like to meet you and exchange opinions and exchange views if possible on the ground as a perfect understanding is more satisfactory at the commencement than to start off wrong and having to rectify errors later'.²²⁹ Scoble explained that he had not taken any samples in the drive and that those taken from surface cuts 'were not helpful', and did not respond to the request to exchange ideas.²³⁰ Nothing further was heard of Cumming's latest plan.

Officials remained pessimistic about finding payable ore. Scoble wrote in March 1937 that, although there was 'a large quantity', most was 'practically valueless, as all payable portions were extracted in earlier years', although 'small and isolated patches' might still be found. In addition, there was a lack of 'suitable' prospectors.²³¹ Hopes were kept alive, for example when in 1939 an unnamed geologist was reported by the *Te Aroha News* to have been impressed with samples he was shown. If the ore that produced these existed in any quantity, the mountain contained a 'veritable treasure trove'.²³² In 1940, this newspaper repeated the old demand that the government should assist with refractory ores. It criticised the amount of money spent prospecting for oil in Taranaki and for iron near Nelson, work 'of a much more problematical nature than that of gold in the Te Aroha Mountain', which was 'unmistakably proven' by the success of Malcolm Hardy.²³³ (The true extent of that success is assessed in the paper on Hardy's life.)

²²⁸ Hugh Crawford, Report for March 1937, Mines Department, MD 1, 23/1/20, Part 2, ANZ-W; see also Hugh Crawford to Under-Secretary, Mines Department, 3 May 1937, Mines Department, MD 41, 11/2/18, ANZ-W; *AJHR*, 1937, C-2, p. 27, 1938, C-2, p. 27.

²²⁹ J.D. Cumming to E.J. Scoble, 9 May 1937, Inspector of Mines, BBDO 18634, A902, M85, ANZ-A.

²³⁰ E.J. Scoble to J.D. Cumming, 13 May 1937, Inspector of Mines, BBDO 18634, A902, M85, ANZ-A.

²³¹ E.J. Scoble to Under-Secretary, Mines Department, 15 March 1937, Mines Department, MD 1, 12/408, ANZ-W.

²³² *Te Aroha News*, 6 February 1939, p. 5.

²³³ Editorial, *Te Aroha News*, 5 August 1940, p. 4.

THE END OF MINING AT WAIORONGOMAI

Apart from some gold sold by Hardy, the only purchases by the Thames branch of the Bank of New Zealand during the 1930s was in 1932, when Gibbs sold 7oz 11dwt on 8 January for £20 7s 6d and an identical quantity on 14 January, valued at £17 7s 6d.²³⁴ The former was taken from the Huia claim, as was an ounce worth £2 12s sold by Devey in April.²³⁵ This amount of gold sold indicates the absurdity of the claims of vast reserves of payable ore and the total lack of success in finding this alleged treasure. The early miners had extracted almost all the worthwhile ore, leaving only crumbs that did not pay to extract. Because of what a local correspondent described in mid-1939 as ‘the improbability of any mining operations on a large scale’ reviving at Waiorongomai, in June the remaining residence sites and the ‘battery reserve’ were removed from the goldfield.²³⁶ A decision that concerned ‘Old Prospector’:

The payable free gold bearing quartz in the upper levels may be exhausted, but from what I know little has been done in late years in prospecting and opening-up the deeper deposits of refractory ore, now that we have methods of extraction so far ahead of the old battery process.

In the early days of the field I worked from the surface a small lode of good value free milling quartz to a considerable depth, then drove a level several hundred feet in length, cutting the reef at a greater depth, to find it larger and of much higher value, but all refractory ore, which was of little use to me as the percentage of gold obtainable then was too small.

There are other lodes on the field of the same character that have not been worked and I cannot venture to say what quantity of payable ore there may be, but consider they are well worth opening up, and I would be far from denouncing Waiorongomai as worthless as a gold-producer in the future.²³⁷

²³⁴ Bank of New Zealand, Thames Branch, Gold Dealer’s Book 1913-1932, 71/40 of 1932; Statement of Daily Gold Purchases at Thames 1916-1954, entry for 14 January 1932, Bank of New Zealand Archives, Wellington.

²³⁵ Bank of New Zealand, Thames Branch, Gold Dealer’s Book 1913-1932, 71/72 of 1932, Bank of New Zealand Archives, Wellington.

²³⁶ Te Aroha Correspondent, *New Zealand Herald*, 1 July 1939, p. 10.

²³⁷ Letter from ‘Old Prospector’, *New Zealand Herald*, 11 July 1939, p. 13.

'Old Prospector' was wrong: Waiorongomai would never revive, even though Malcolm Hardy potted on for a few more years.²³⁸

CONCLUSION

This failure of subsidised prospectors to find valuable deposits missed by the early miners was repeated in the Thames and Coromandel districts, because, as Hugh Crawford explained in 1936, the old prospectors had been very thorough.²³⁹ As in Central Otago, most of the work had consisted of fossicking in old workings.²⁴⁰ By early 1933, 480 men were employed in the Thames and Coromandel districts, but two years later the number had fallen to 159.²⁴¹ Despite the claims of interested parties of good gold just waiting to be extracted in the Te Aroha district, the poverty of what ore had been left behind by earlier miners means that all the prospecting undertaken there despite the qualms of experts was, unavoidably, unsuccessful.

²³⁸ See paper on his life.

²³⁹ Hugh Crawford to Secretary, Employment Division, 18 July 1936, cited in Woods, pp. 89-90.

²⁴⁰ Woods, p. 56.

²⁴¹ *AJHR*, 1933, H-35, p. 9; Woods, p. 89.