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COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

ALBANY, QUEENSLAND CANBERRA, AUSTRALIA

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STATISTICAL BULLETIN : THE GOLD-MINING INDUSTRY, AUSTRALIA

SEPTEMBER, 1963

PRODUCTION

Mine Production. - The mine production of gold (i.e. the gold content of minerals produced) in Australia during September, 1963, was 84,824 fine ounces. This was 11.3 per cent. less than production during the corresponding month of 1962 (95,677 fine ounces). Of the total output during September, 1963, Western Australia produced 80.3 per cent., the Northern Territory 7.4 per cent., Queensland 6.2 per cent. and other States the remaining 6.1 per cent. For the nine months ended September, 1963, the mine production of gold was 775,144 fine ounces, a decrease of 2.7 per cent. on production in the corresponding period in 1962, when 796,473 fine ounces were produced.

Refinery Production. - Total production of refined gold during the month of September, 1963, was 96,661 fine ounces, an increase of 12.7 per cent. on production during September, 1962, (85,736 fine ounces). Refinery production of gold during the nine months to September, 1963, was 873,004 fine ounces, 0.3 per cent. more than the output during the corresponding period of 1962 (870,777 fine ounces).

Further details relating to gold production during September, 1963, and earlier periods are set out in Tables 1 to 3.

TABLE 1. - MINE PRODUCTION OF GOLD (a)

(Fine Ounces)

State or Territory	Annual Totals		Cumulative Totals Jan.-Sept., (b)		Monthly Totals		
	1961	1962(b)	1962	1963	July, 1963	August, 1963	Sept., 1963
New South Wales	12,034	11,712	9,042	8,759	1,121	1,052	973
Victoria	26,229	28,134	20,728	19,925	2,572	2,317	1,577
Queensland	64,786	67,841	49,702	49,734	4,958	4,427	5,275
South Australia	55	48	4	..	..	..	..
Western Australia	870,658	860,040	641,975	613,139	78,559	66,109	68,135
Tasmania	26,885	32,075	23,449	(c)25,354	(d)2,500	(d)2,600	(d)2,600
Northern Territory	75,645	73,297	51,573	58,233	6,742	8,083	6,264
AUSTRALIA	1,076,292	1,073,147	796,473	775,144	96,452	84,588	84,824

(a) Data for States refer to gold content of minerals originating in each State and the Northern Territory. There is no production in the Australian Capital Territory.

(b) Subject to revision. (c) Partly estimated. (d) Estimated.

TABLE 2. - REFINERY PRODUCTION OF GOLD : AUSTRALIA

Particulars	Annual Totals		Cumulative Totals Jan. - Sept.		Monthly Totals		
	1961	1962	1962	1963	July, 1963	August, 1963	Sept., 1963

QUANTITY (Fine Ounces)

Australian Origin -							
Newly-won gold	1,036,947	1,024,623	755,782	741,534	76,411	75,421	83,683
From scrap	22,593	21,806	16,351	14,873	1,770	2,153	1,791
Overseas Origin -							
Newly-won gold	155,598	138,455	98,456	116,307	13,808	11,432	11,187
From scrap	1,277	188	188	290	..	..	..
TOTAL	1,216,415	1,183,072	870,777	873,004	91,989	89,006	96,661

VALUE (£'000) (a)

Newly-won gold of Australian origin	16,241	16,021	11,819	11,603	1,196	1,180	1,309
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(a) Based on the price fixed by the Reserve Bank. Includes allowance for premiums on sales of gold overseas and for industrial purposes in Australia. Excludes subsidy. 3835.

TABLE 3. - MONTHLY PRODUCTION OF NEWLY-WON GOLD : AUSTRALIA

(Fine Ounces)

Period	Mine Production (a)			Refinery Production (b)		
	1961	1962(c)	1963(c)	1961	1962	1963
January	82,475	82,707	83,068	83,289	81,317	70,016
February	84,015	82,790	83,729	84,043	81,109	75,495
March	82,768	88,642	86,962	82,058	81,119	81,048
April	97,914	74,603	80,621	122,163	122,434	119,539
May	82,334	87,064	80,151	81,855	78,871	82,555
June	84,697	94,003	94,749	72,224	80,120	77,366
<u>Year ended June</u>	1,074,898	1,071,898	1,072,618	1,031,019	1,036,285	1,005,672
July	88,637	95,362	96,452	77,237	77,551	76,411
August	97,440	95,625	84,588	87,965	78,600	75,421
September	90,687	95,677	84,824	89,908	74,661	83,683
<u>Total for Nine Months</u>	790,967	796,473	775,144	780,742	755,782	741,534
October	100,924	93,202		95,884	103,931	
November	90,210	88,243		79,394	77,846	
December	94,191	95,229		80,927	87,064	
<u>Year ended December</u>	1,076,292	1,073,147		1,036,947	1,024,623	

(a) Gold content of minerals produced in Australia. (b) Newly-won gold of Australian origin. (c) Subject to revision.

GOVERNMENT ASSISTANCE TO THE GOLD-MINING INDUSTRY

(i) The Gold-Mining Industry Assistance Act 1954-1962. - This legislation was enacted to assist the gold-mining industry in Australia and Papua and New Guinea by the payment of a subsidy to gold producers. Payments commenced in March, 1955, in respect of production from 1st July, 1954, and, under the Act as it now stands, are to apply to production until June, 1965. Premiums received by producers from the sale of gold overseas by the Gold Producers' Association Limited are offset against subsidy payments.

Payments under the Act during September, 1963, amounted to £24,461 bringing the total payments in the nine months from January to September, 1963 to £420,325. These amounts bear no relationship to production in the same months or in any given period.

Further details of the Gold-Mining Industry Assistance Act together with particulars of subsidy payments for the years 1958 to 1962, by States, were set out in the December, 1962, issue of this bulletin.

(ii) The Gold Mines Development Assistance Act 1962. - The purpose of this legislation is to provide assistance to gold producers in Australia and Papua and New Guinea in order to assist in their development work and so add to their proved reserves of gold-bearing minerals. Assistance under the Act is limited to those producers not receiving subsidy under the provisions of the Gold-Mining Industry Assistance Act 1954-1962. The payment of allowance is subject to a number of conditions and limits provided for in the Act.

The first payments under this Act were made in June, 1963, when £80,000 was advanced to producers. There were no payments in the months July to September, 1963.

Further details of the Act are contained in the December, 1962, issue of this bulletin.

(iii) Income Tax Exemption. - Income derived from mining principally for gold in Australia or the Territory of Papua and New Guinea is exempt from tax. The exemption is also available in respect of income derived from mining principally for gold and copper if the value of the gold obtained is not less than 40 per cent. of the value of the total output. Dividends paid by a company wholly and exclusively out of the exempt mining income are also exempt from tax.

PRICES OF GOLD IN AUSTRALIA, IN LONDON AND OVERSEA PREMIUM MARKETS

Average prices of gold per fine ounce in Australia and overseas for the years 1960 to 1962, and for the months of July, August and September, 1963, are shown in Table 4.

Under existing legislation, all gold produced in Australia is sold to the Reserve Bank. Since 1st May, 1954, the official price of gold in Australia has been fixed at £15.12.6 per fine ounce. In 1951, the Commonwealth Government decided to allow newly-won gold to be sold at a premium on overseas markets, and producers formed the Gold Producers' Association Limited, to arrange overseas sales on behalf of its members. By arrangement with the Reserve Bank, the total quantity of newly-won gold delivered to the Bank by members of the Association in any calendar month, less the quantity required for industrial purposes in Australia, is available to the Association for sale on overseas premium markets during the ensuing two calendar months.

The volume of sales on overseas premium markets has been largely dependent on the premium over the Australian fixed price, and it should be noted, therefore, that the series set out in Table 4 is in no way indicative of the average return to gold producers for all gold produced.

Further particulars of the sales of gold on overseas premium markets to the end of 1962 were set out in the December, 1962, issue of this bulletin.

TABLE 4. - PRICES OF GOLD : AUSTRALIA, LONDON AND OVERSEA PREMIUM MARKETS
(per Fine Ounce)

Period	At Mints in Australia			London			Australian Gold sold on Oversea Premium Markets		
	£A.	s.	d.	£Stg.	s.	d.	£A.	s.	d.
Year : 1960	15.	12.	6	12.	11.	2½	15.	15.	5
1961	15.	12.	6	12.	11.	0	15.	14.	1
1962	15.	12.	6	12.	10.	1	15.	13.	3
1963 : July	15.	12.	6	12.	10.	6½	15.	13.	0½
August	15.	12.	6	12.	10.	8½	15.	13.	0½
September	15.	12.	6	12.	10.	9½	15.	13.	1½

IMPORTS AND EXPORTS OF GOLD

Tables 5 and 6 show particulars of the imports and exports of gold for the month of September, 1963, and earlier periods.

TABLE 5. - IMPORTS OF GOLD (a): AUSTRALIA
(Fine Ounces)

Particulars	Annual Totals		Cumulative Totals Jan. - Sept.(b)		Monthly Totals (b)		
	1961	1962(b)	1962	1963	July, 1963	August, 1963	Sept., 1963
<u>Unrefined bullion (c)</u>							
Country of Origin -							
New Guinea	37,357	37,287	28,783	37,022	4,612	5,838	2,742
Fiji	80,179	81,805	66,469	87,280	9,489	8,736	12,834
New Zealand	28,402	15,161	9,706	11,582	491	736	554
Solomon Islands	51	274	104	338	50	..	17
Total unrefined bullion	145,989	134,527	105,064	136,222	14,642	15,310	16,147
<u>Refined forms</u>	1	3	1	135	..	35	3
<u>Gold contained in matte</u>	289	557	556	2	..	..	..
Importing States -							
New South Wales	136,368	125,317	100,030	133,192	14,367	15,063	15,954
Victoria	9,911	9,770	5,591	3,167	275	282	196
TOTAL IMPORTS	146,279	135,087	105,621	136,359	14,642	15,345	16,150

(a) Excludes specie, leaf and foil, and gold imported in some minor minerals. Gold in unrefined forms other than the gold content of matte, unrefined gold and silver bullion is also excluded. (b) Subject to revision. (c) Gold content.

TABLE 6. - EXPORTS OF GOLD (a) : AUSTRALIA

(Fine Ounces)

Particulars	Annual Totals		Cumulative Totals Jan. - Sept.(b)		Monthly Totals(b)		
	1961	1962(b)	1962	1963	July, 1963	August, 1963	Sept., 1963
Country of consignment -							
United Kingdom	348,711	..	..	..	..	..	..
Hong Kong	610,812	305,165	144,105	375,783	64,138	32,248	64,104
New Zealand	6,208	8,994	5,970	4,895	649	400	400
Fiji	653	212	122	140	50	19	14
France	100,672	..	..	..	..	..	..
Netherlands	31,845	..	..	..	..	..	..
United States of America	800	600	400	250	..	150	..
States of final shipment-							
New South Wales	799,661	314,965	150,591	381,061	64,837	32,817	64,518
Victoria	..	6	6	7	..	..	..
Western Australia	300,040	..	..	..	..	..	..
TOTAL EXPORTS	1,099,701	314,971	150,597	381,068	64,837	32,817	64,518

(a) Refined forms only. Excludes specie, leaf and foil. There were no exports of gold in unrefined bullion and matte during the periods shown. See Table 7 for the quantities of gold contained in ores and concentrates exported. (b) Subject to revision.

CHANGES IN STOCKS OF GOLD HELD IN AUSTRALIA

Table 7 shows details of changes in stocks of gold held in Australia during September, 1963, and in earlier periods.

TABLE 7. - CHANGES IN STOCKS OF GOLD HELD IN AUSTRALIA

Particulars	Annual Totals		Cumulative Totals Jan. - Sept.(a)		Monthly Totals (a)		
	1961	1962(a)	1962	1963	July, 1963	August, 1963	Sept., 1963
GOLD OTHER THAN SPECIE							
(Fine Ounces)							
Mine Production (b)	1,076,292	1,075,147	796,473	775,144	96,452	84,588	84,824
Imports (c)	146,279	135,087	105,621	136,359	14,642	15,345	16,150
Exports (d)	1,099,701	314,971	150,597	381,068	64,837	32,817	64,518
Gold content of ores and concentrates exported	39,835	44,166	30,117	35,065	4,310	6,478	1,298
Net industrial consumption	35,429	47,881	35,519	43,883	5,721	5,402	4,867
Increase in stocks held in Australia (e)	47,606	801,216	685,861	451,487	36,226	55,236	30,291

GOLD SPECIE

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Net surplus of imports	1,064	5,846	23,901	5,673	436	65	1,432
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(a) Subject to revision. (b) Gold content of minerals produced in Australia. (c) See Table 5. (d) See Table 6. (e) Includes changes in holdings in Australia by official and banking institutions both on their own behalf and that of non-residents, together with the gold content of change in stocks of minerals awaiting refining.

I. M. ARCHER
COMMONWEALTH STATISTICIAN

COMMONWEALTH BUREAU OF CENSUS AND STATISTICSCANBERRA, A.C.T.

29TH NOVEMBER, 1963

NOTE: Inquiries concerning these statistics may be made in Canberra by telephoning 41971 Extension 13, or in each State Capital, by telephoning the office of the Bureau of Census and Statistics.