



EARLY MINERS 'GET RICH QUICK'

The initial discovery of gold in the greater Charter Towers area was followed by a peak mass migration of 30,000 miners, investors and entrepreneurs. Together with their international investments from various corners of the world they converged on Queensland's most important goldfield seeking a piece of the enormous fortune during the height of one of Australia's major historical gold rushes of the early era. This was all due to the extraordinary amounts of gold discovered and the consequent wealth generated from the prosperous resources of the local mines.

After the easily won gold on the surface was found, the early miners started following the quartz reefs underground. By 1898 the Charters Towers district was producing more than 320,000 ounces of gold per annum, establishing it as the richest major goldfield in Australia as well as an internationally-noted goldfield for many years. The Queensland gold production record of 320,000 ounces set in 1899 was unbroken for the next 100 years. Government records show that in today's Australian dollar, the mines paid out approximately A\$900,000,000 (\$900 million) in dividends to their shareholders.

However, with rising inflation and a fall in the real price of gold (the gold selling price was pegged by the government and had been for 300 years until the 1930's), production levels soon began to decline which particularly affected the myriad of small operators largely extracting ore by manual methods. With production falling, wages rising, materials expensive and in short supply after WW1, and an absence of dividends or reinvestment, mining the Charters Towers goldfield started to slow down and eventually ground to a halt in 1917.

The gold veins never actually "ran out" – miners simply abandoned shafts. This production decline was similarly echoed across Australia with the nation as a whole experiencing 60% inflation in costs; and yet a fixed gold selling price meant that all profitability eroded away.