

REPORT

KAURI-GUM now being produced consists mainly of chips. In my last report attention was directed to the poor quality of these chips and to the likely effect of this on overseas demand. Failure to keep up the quality of chips has brought about a severe crisis in the industry. Sales of chips are not being effected now unless a 75 per cent. to 80 per cent. gum content is guaranteed, with the result that large quantities of gum estimated at 1,000 tons and of an approximate value of £50,000 are lying on northern gumfields.

During recent years, with a heavy overseas demand and record prices, sufficient care has not been taken by diggers to clean their gum properly, and dirty, poor-quality gum has been shipped. This has now resulted in overseas buyers refusing to place orders unless the gum is up to specification. The fact that more uniform lower-grade gums from the Congo and East Indies, as well as synthetics, are now becoming available in large quantities is also affecting the demand for impure kauri-gum chips.

An increased number of washing leases have been taken up during the past year, and more diggers have been attracted to the industry by the high prices obtained for gum during the preceding year. This has resulted in the production of a greatly increased quantity of chips, but sales have been very slow. Sales of the bolder types of gum are being effected, but unless a ready market is available for chips the production of the better grades of gum is not economic.

The Department of Scientific and Industrial Research has made analyses of samples of chip gum for some producers, and, in addition, several small samples of solvent refined kauri-gum have been made from these chips for submission to manufacturers in Great Britain. This revival of interest in refined gum seems to be due to the present high prices ruling for Congo copal. The future expansion of the kauri-gum industry will depend on our ability to produce a solvent refined gum at a figure which will enable it to compete with substitute gums and synthetics. Overseas buyers are no longer interested in the low-grade kauri chips previously marketed.

A great deal of kauri-gum is still available for production by modern extraction methods, and will be produced only if markets can be assured at a remunerative price to the gum-digger.

During the year 1,156 tons of gum, valued at £(N.Z.)115,486, was exported.

KAURI-GUM INDUSTRY ACCOUNT

The assets of the Kauri-gum Industry Account have been realized and the account has been abolished by statute.

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