

REPORT

Kauri-gum production is now largely confined to chips. During the year 1948-49 the full impact of the reduced demand for any but the highest grades of chips was felt among diggers generally.

At the end of the year 1948 there were substantial stocks of gum chips unsold on the fields in the North. The poor quality of these chips has resulted in slow sales, and although some stocks have been gradually absorbed there still remain hundreds of tons of unsold gum on the fields. It may not prove economic to reclean this gum and diggers are reluctant to accept reduced prices.

Many individuals in the far North have never engaged in any occupation other than gum-digging, but in recent years the number following this avenue of employment has shown an over-all reduction. This is no doubt attributable to the uncertainty among diggers as to the future prospects of the industry. There have been many conferences between producers and exporters with a view to arresting the withdrawal of gum-diggers to other occupations, and an indication at one of these conferences that buyers would be prepared to pay 65s. per hundredweight for 75 per cent. chips has tended to restore confidence in the industry.

Loss of sales and cancellation of gum-washing leases has meant a lower return to the Crown from kauri-gum royalties. The number of kauri-gum-washing leases current at 31st March, 1949, was seventy-four.

Efforts to improve the quality of gum by a cleaning method known as the "salt cleaning process" have been made, but the difficulty seems to be to get sufficiently high prices to recompense the gum-washer for this additional cost of production.

In recent years kauri-gum has met with keen competition from synthetics and from the more uniform and lower-grade gums from the Congo and East Indies. The main export market for kauri-gum is the United Kingdom area, where the higher-grade gums and better class of chips are used in the manufacture of linoleum. Unless manufacturers can be assured of continuous supplies of the right type of gum, however, it will be necessary for them to make use of substitutes.

During the year ended 31st December, 1948, 1,089 tons of gum, valued at £(N.Z.)109,802, 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.

Approximate Cost of Paper.—Preparation, not given; printing (633 copies), £2 10s.

By Authority: R. E. OWEN, Government Printer, Wellington.—1949.

Price 3d.]