C.—2.

KAURI-GUM.

The export of kauri-gum for the year 1907 was 8,708 tons, valued at £579,888, being a decrease in production of 446 tons, but an increase in value amounting to £57,402.

The total export of this mineral had, at the end of 1907, reached 284,027 tons, valued at £14,022,905. The value of the gum-production during 1907 was only exceeded on three other occasions since the export was commenced fifty-four years ago. As the area of unworked gumfields is still considerable, and English varnish-manufacturers prefer the best article to the cheaper and inferior substitutes for kauri-gum recently introduced in the American varnish-manufactories, there is still a considerable life for the industry, as shown by the high price obtained during 1907.

SCHEELITE.

An industry which promises to become of considerable importance has been established by the scheelite mines of Otago, the value of the exports from which amounted to £15,486 during the year, being an increase of £12,079 on the production for 1906.

A number of leases for scheelite-mining have recently been taken up in Otago. This is, doubtless, due to the success attending operations at Mount Highlay, near Macrae's Flat, and at Mount Judah, at the head of Lake Wakatipu; also to the high prices ruling for the tungstic acid extracted from the scheelite concentrates. The acid is principally used in the manufacture of high-grade steel for armour-plates and big guns.

COPPER.

The sudden and severe fall in the market-price for many of the industrial metals, including copper, has proved disconcerting to forecasts and projects based upon values that have been found to be inflated and unstable, and has acted prejudicially towards the development of several old copper-mines which had been reopened during the late era of high prices.

At Mount Radiant, near Karamea, on the West Coast, further explorations have proved the existence of a large area of strong, low-grade cupreous quartz veins, and several leases have been taken up, but there has been so far no development of commercial value, and it is therefore premature to express an opinion as to the value and prospects of the field.

During the past year 56 tons of copper-ore, valued at £595, were exported.

OTHER MINERALS.

The development of other minerals within the Dominion has been hitherto unimportant. During 1907 a little attention was devoted to prospecting for antimony and cinnabar, but the results are not considered of much commercial value.

Operations on the Parapara ironfield have been dormant, the flotation of a company in England for the purpose of working this extensive hæmatite deposit having been as yet unsuccessful.

No developments of commercial value have been disclosed by the oil-boring operations carried out in Taranaki during the year, which remark applies also to operations at Kotuku, near Lake Brunner.

With a view to obtaining further knowledge regarding the economic possibilities of the Poverty Bay district for petroleum, the Geological Survey Department are now conducting explorations in that part of the Dominion

ELECTRICITY IN MINES.

The application of electricity as a motive power has until recently been somewhat retarded by reason of the rival claims of hydraulic power, so generally available on our mining fields; but with the extension of operations more favourable attention has recently been devoted to electricity, which power has now been installed at some important mines.

With the advent of electricity in the mines of Great Britain and other countries, regulations have been adopted to render its use as safe as possible, and it is proposed to establish somewhat similar safeguards in this Dominion.