

£13,239, were exported to Australia. Since 1902 the small quantity of sulphur produced has been used at chemical-works in the Dominion.

During 1916 a lease was granted by the Department of Tourist and Health Resorts to Messrs. Kempthorne, Prosser, and Co's. New Zealand Drug Company of portion of the Rotorua Sanatorium Reserve for the purpose of obtaining sulphur therefrom, a royalty of 15s. per ton being charged. Prior to 1916 the company obtained from that land 3,204 tons of sulphur for refinement at its Auckland works, a royalty of 5s. per ton being charged. During 1916, after the lease was granted, 466 tons were obtained.

PETROLEUM.

Operations in search of petroleum have been confined almost wholly to the Taranaki District, and these have been uneventful. The Blenheim well of the Taranaki Oil Lands Acquisition and Development Company (Limited) on the 2nd July, 1917, had attained a depth of 5,014 ft. At 2,200 ft. a small flow of petroleum occurred.

The Huiroa bore of the Consolidated Oilfields on the 2nd May, 1917, was 4,921 ft. deep, and had tapped a small amount of gas, but nothing more than a trace of oil.

The operations of the Taranaki Oil-wells (Limited), at Moturoa, were confined to recasing its No. 2 well and to the separation of benzine from the crude oil yielded by its Nos. 3 and 5 wells.

KAURI-GUM.

The quantity of kauri-gum exported during 1916 amounted to 5,448 tons, value £339,343, as compared with 4,575 tons, value £279,133, during 1915, an increase of 873 tons and £60,210. The total value of kauri-gum exported to the end of the year amounted to £17,875,483.

The European market for this fossil resin—used in the manufacture of varnish and linoleum—being greatly restricted by the present war, new but smaller markets have been obtained.

During the year the distillation of kauri-gum oil from peat in North Auckland was resuscitated after a lapse of years. The peat yields from 20 to 30 gallons of oil per ton. About 25 per cent. of the product is stated to resemble petrol, and it is being used to propel motor-cars and launches.

STONE-QUARRIES.

For the closer inspection of those 283 quarries and places which come under the operations of the Stone-quarries Act, 1910, at which about 1,648 persons were employed during the year, the whole of the statutory inspection has been transferred to the Inspectors of Mines, and an additional Inspector has been appointed for the North Island quarries.

During 1916 the output of crude stone from the above quarries amounted to 1,331,003 tons.

The quarrying industry of the Dominion is increasing in magnitude rapidly, and promises to become of considerable importance, this being due to the great variety and excellence of our building-stone and to the quantity, high quality, and general distribution of limestone for agriculture and cement-manufacture.

At the recent Panama-Pacific Exposition held at San Francisco an exhibit of New Zealand building-stone by the Mines Department in open competition was awarded a gold medal.

PERSONS ENGAGED IN MINING.

The number of persons employed in and about the mines of the Dominion during 1916 is estimated at 7,701, or 660 less than the number employed during the previous year. The number employed at metalliferous mines was 3,713, and at coal-mines 3,988. The number of gum-diggers is not known.