

Particulars of Kauri-gum exported, &c.—continued.

Country to which exported.	1st April, 1921, to 31st March, 1922.		1st April, 1922, to 31st March, 1923.		1st April, 1923, to 31st March, 1924.		1st April, 1924, to 31st March, 1925.		1st April, 1925, to 31st March, 1926.		1st April, 1926, to 31st March, 1927.	
	Tons.	£	Tons.	£	Tons.	£	Tons.	£	Tons.	£	Tons.	£
United States of America	2,487	266,922	3,742	367,946	4,197	449,117	2,624	250,379	2,682	211,623	1,863	136,397
United Kingdom	1,297	104,094	1,960	129,082	2,409	170,785	2,360	169,975	2,350	179,868	2,036	133,032
Germany ..	58	3,574	70	3,363	66	2,832	117	6,367	107	4,670	127	5,432
Canada ..	89	9,641	109	7,462	118	7,714	97	5,726	101	3,569	144	7,181
Australia ..	37	7,073	84	6,679	7	787	24	2,006	9	1,198	15	911
Belgium ..	..	..	..	..	..	..	..	..	33	1,168	114	4,563
France ..	..	..	..	..	55	5,855	79	5,121	135	9,136	89	6,980
Austria-Hungary	..	..	..	..	..	..	..	..	..	..	..	..
Russia ..	..	..	..	..	..	..	..	..	..	..	..	..
Netherlands ..	..	..	90	4,381	38	1,582	53	1,917	46	1,809	34	1,950
Sweden ..	..	..	20	1,000	..	..	20	820	..	..	46	1,929
Italy ..	..	..	1	170	26	1,647	55	3,546	..	2	51	2,469
Japan ..	..	..	4	326	7	393	3	162	22	1,027	10	476
Hong Kong ..	..	..	..	..	..	..	..	..	..	..	..	..
Denmark ..	..	..	..	..	..	..	..	..	10	350	..	..
China ..	..	..	..	..	..	..	..	..	..	..	..	15
Totals ..	3,968	391,304	6,080	520,409	6,923	640,712	5,432	446,019	5,495	414,420	4,529	301,335

A very unusual feature of the year's export is the fact that the tonnage exported to the United Kingdom exceeds that exported to the United States of America.

A great deal of the kauri-gum exported to the United Kingdom is re-exported to the Continent of Europe, and there appears to be little doubt that the good showing made in the export to the United Kingdom is at least in part due to the fact that the new cellulose lacquers are not so freely used in Europe as in the United States. It would appear as if lacquers have permanently displaced varnishes to a very great extent in the motor-car industry in the United States, and that they have also made at least some headway in another form in the furniture trade. Whether the use of lacquers in the United Kingdom and on the Continent of Europe will have the same effect on the kauri trade as it has had in the United States remains to be seen.

So far as kauri-gum is concerned, it is possible that a new process may enable the fossil kauri-gum to come into general use in the lacquer industry. If so, the result would probably be that very large quantities of kauri-gum would be required, and that the cellulose lacquers, instead of diminishing the demand, may actually increase it and provide an outlet at payable prices for a large proportion of the kauri-gum recovered.

RESEARCH WORK.

Some four or five years ago a chemist commenced an investigation of the kauri-gum-bearing swamps and materials found therein. After a considerable amount of research he concentrated his work on the actual kauri-gum itself, with the result that he has discovered a solvent by the use of which the resin can be recovered in block form free from all impurities. It has, of course, always been known that the pure resin could be recovered by the use of a solvent, but the difficulty was that all known solvents were too dear to use on a commercial scale with any hope of financial success. He has now, however, worked up a process whereby the use of a new solvent can be carried on commercially with every promise of success. Samples of resin produced by this process have been introduced to the varnish trade, and the indications are that there is a ready market for this new-process kauri if it can be sold at prices which will meet the manufacturers' views.

MARKET CONDITIONS.

It was stated in last year's report that the trade was passing through the worst "slump" ever experienced, and little or no change for the better was apparent during the year under review.

It has again been found that the quantity of kauri-gum exported from the City of Auckland has exceeded the quantity received there from the gum-producing districts. This year the excess of the quantity exported over that received amounted to more than 600 tons, and it is expected that the quantity received at Auckland during the current year will not be much greater than that of last year, even though a fairly good demand should develop.

During the year gradings of all kinds, with the exception of good range grades, have gone off fairly well. Range gradings have been in poor demand, and as these are recovered mostly by men who specialize in digging range gum, and who are located in settled districts and can obtain other employment, the production has fallen off very considerably. It would require a very firm demand at better prices to stimulate any appreciable increase in the production of range gradings.