

1939.
NEW ZEALAND.

KAURI-GUM INDUSTRY

(REPORT ON THE) FOR THE YEAR ENDED 31st MARCH, 1939.

Presented to both Houses of the General Assembly pursuant to Section 5 of the Kauri-gum Industry Amendment Act, 1911.

SIR, — Department of Lands and Survey, Wellington, 1st August, 1939.
I have the honour to submit herewith the annual report under the Kauri-gum Industry Amendment Act, 1911, for the year ended 31st March, 1939.
I have, &c.,
R. G. MACMORRAN, Under-Secretary.

The Hon. Frank Langstone, Minister of Lands.

ALTHOUGH during the year there was a steady demand for high grade chip gum at a fairly good price, there was a marked falling off in inquiries for the lower grades of this type of gum, and as a whole conditions in the market did not improve appreciably.

As in previous years, the sale of the higher-quality gum, suitable for use in the varnish trade, remained sluggish: shipments were made to the United Kingdom, Canada, Australia, the United States of America, Fiji, Japan, Netherlands, Sweden, France, Germany, and Italy, and, as hitherto, Great Britain took the bulk of these exports. The demand from America was poor, but sufficient to show that there was still possibility for expansion in that direction.

Production during the year was ample to meet all demands. It appears, however, that the present stagnant conditions prevailing will continue until such time as kauri-gum can be produced for marketing in a purer form.

During the year research work has been carried out by the Department of Scientific and Industrial Research in connection with the development of a process for the refining of the lower grades of kauri-gum. This matter is dealt with in detail in the Dominion Laboratory section of the annual report of that Department.

The Director of Internal Marketing has supplied the following report on the Division's activities in the kauri-gum marketing arrangements:

"In October, 1937, the Internal Marketing Division undertook to render a measure of assistance to kauri-gum diggers by arranging minimum prices for various types and qualities of gum at which buyers would operate.

"In the event of buyers or merchants failing to purchase at these figures, the Division agreed to find a market for diggers' gum. It is pleasing to be able to say that buyers have co-operated with the Division to the fullest extent and it has not been necessary to actually make any purchases, although on many occasions the Division has assisted diggers to find a buyer at arranged prices.

"The object of the Division's activities has obviously been to enable diggers to remain on the fields, and the confidence given the market by the Division's action has made this possible. Appreciation of the Government's action has been expressed by kauri-gum diggers.

"The Division has also investigated the internal and overseas markets, with the object of expanding and continuing sales.

"During the visit of the Hon. Minister of Marketing to America and England in this year an opportunity was taken to meet gum-importers, with the object of encouraging the further use of New Zealand's kauri-gum."