

TUNGSTEN-ORE (SCHEELITE).

The quantity and value of tungsten-ore obtained during the year was 143 tons 6 cwt., valued at £31,279, as against 199 tons 8 cwt., valued at £37,863, during 1917. There was, however, an increase in the quantity and value *exported* during 1918, due to the liberation of ore which had been held back by some producers in anticipation of an increased price being offered by the Imperial Government. During the war period the price per unit of tungstic acid per ton of ore has been increased from £2 15s. to £3 8s. ; prior to 1914 the market price was about half the latter amount. The decline in production can only be attributed to depletion of known deposits, and unless further deposits are discovered the decline will probably continue.

PETROLEUM.

Drilling in search of petroleum has, during the year, been carried out in Taranaki, Hawke's Bay, and Canterbury, but no development of real commercial value has yet occurred. Throughout the Dominion twenty-five deep boreholes in search of petroleum have been drilled or are in progress, the deepest being that known as the "Blenheim" well of the Blenheim Oil Company at Moturoa, which has attained a depth of 5,488 ft., drilling being still in progress.

Near Waikaia, Southland, a small area of oil-shale has been proved by drilling ; and attention has again been drawn to the oil-shale deposit near Orepuki, which it is hoped will be worked in the near future. In connection with this deposit extensive oil-shale works were installed about seventeen years ago, but operations were suspended shortly after production began.

The importance of a petroleum industry in this Dominion can hardly be over-estimated, and it is in consequence of this that the Government is assisting in some of the boring operations.

QUICKSILVER.

During the year our first exportation of quicksilver was made—the product of the New Zealand Quicksilver-mines (Limited), whose mine and works are situated at Puhipuhi, North Auckland. This company produced during the year 11,296 lb. of marketable quicksilver, valued at 5s. per pound.

KAURI-GUM.

The kauri-gum industry being under the administration of a separate Department, my reference thereto is confined to the quantity and value of this mineral exported, which during 1918 amounted to 2,419 tons, valued at £157,313, as against 4,594 tons, valued at £291,917, during 1917. The total quantity and value of kauri-gum exported to the end of 1918 is respectively 356,292 tons and £18,325,252.

During the past five years attempts have been made to dredge kauri-gum from swamps, but up to the present time the profits therefrom have been small.

Since 1917 progress has been made in the development of kauri peat-oil extraction. Plants have been installed by two companies at Kaimaumau and at Redhill. From the crude oil it is proposed to refine motor-spirit, also paint and varnish oils. Should these operations prove successful an important industry will become established, as the area of land available for such operations is large.

A new process has been discovered for cleaning low-grade gum, known as the "salt vacuum process," the patentee being Dr. J. S. Maclaurin, Dominion Analyst. Practical demonstrations have proved the process to be most satisfactory.

STONE-QUARRIES.

The operations of the Stone-quarries Act are confined to those places (excluding mines) where stone is quarried or tunnelled by the use of explosives, and where the rock-face is more than 20 ft. deep. A large number of important quarrying operations, regarding which safety provisions are as necessary as at those places to which the Act applies, are excluded by this definition. It is therefore proposed to enlarge the scope of the Act to make it apply more generally.