

TOBACCO INDUSTRY.

There has been very little alteration in the position of this industry during the past year. Most of the companies which were floated during the past few years to grow tobacco-leaf have either gone into liquidation or are not actively operating at present.

Several plantation companies are persisting, and are apparently dependent for success upon a new manufacturing company in Auckland, which is reported to be under agreement to take the leaf-production of the plantation companies for several years ahead. It is hoped that this manufacturing company will succeed, otherwise there is no market in sight at present for the leaf grown or proposed to be grown in the Auckland Province. An inquiry is said to have been received from England for 5,000 lb. of cigarette-tobacco leaf, but could not be filled, as Auckland Province does not as yet grow this class of leaf.

The position of the growers in the Nelson Province is relatively assured, as they continue to grow, under arrangements, leaf suitable for the requirement of the two old-established manufacturers in the Dominion. The quantity of leaf used by these factories shows a steady increase each year.

The export of New Zealand leaf tobacco during the year was nil, and production plans based upon forecasts of future export business are highly speculative.

TUNG-OIL INDUSTRY.

There are now seven companies operating in the North Auckland district, and the breaking-in of large areas of land, usually of low quality, for planting to this tree continues. It can be said that, so far as the initial stages of growth are concerned, many of these plantations show very encouraging results, the young trees showing up well, and making sturdy growth when transplanted from the nurseries. Time alone can show whether our conditions are such as will enable these trees to give commercial crops, and, as something like £1,000,000 sterling is being invested in this industry in shares, debentures, and bonds, there is a great deal at stake.

The following extract from *Bulletin of the Imperial Institute*, Vol. 30, No. 1, April, 1932, London, is significant:—

“In some countries commercial undertakings have been started to cultivate the tree. It should, however, be pointed out that it is very desirable that before the public are invited to subscribe funds for the establishment of plantations definite evidence should be obtained by small-scale trials that tung-trees can be successfully grown in the particular locality, and that they are likely to prove a remunerative crop. Data are necessary as to the rate of growth of the trees, the age at which they will bear commercial supplies of fruit, the average yield of fruit per tree, and the yield and quality of the oil. These particulars can only be obtained by establishing experimental plots of the trees in the actual locality and maintaining them for a period of years until they come into bearing. Until this preliminary work has been carried out it is impossible to form a trustworthy estimate as to the probable commercial success of any scheme for the cultivation of the trees, and their planting on a large scale cannot be recommended.”

PASSION-FRUIT INDUSTRY.

The planting of passion-fruit in the North Auckland district, and especially at Kerikeri, has reached considerable dimensions in recent years, and the crop is now so heavy that it is necessary to find means of disposal other than by selling as fresh fruit. A company was formed during the year for the purpose of extracting the juice and exporting it in a frozen condition, and optimistic statements were made regarding the markets that were available in America, Great Britain, and on the Continent at a high price.

This Department failed to find any evidence of such markets. A limited demand was found to exist in London, but at a price unpayable for the New Zealand producer. There was some indication that the beverage trade in Canada and the United States was interested in the possibilities of using passion-fruit juice, but it is almost unknown to the trade in those countries at present.

The company referred to above built a factory at Kerikeri, but did not equip it with the machinery necessary for extracting the juice.

Attempts were made to market the crop throughout the Dominion as fresh fruit, but this was not a success, and the organization for collection, packing, and distribution broke down. The unfortunate growers at Kerikeri, whose fruit had been bought under contract, received little or nothing by way of payment for supplies delivered.

A boom in company-flotations to exploit the passion-fruit-juice industry appeared imminent towards the end of the past year. The information which the Department was able to give regarding the extent of the overseas markets appears to have had a restraining influence.

INDUSTRIAL RABBITS.

Angora-rabbit Wool.—During the year the market price for Angora-rabbit wool remained relatively stable around 30s. per pound for first grade, 25s. per pound second grade, and from 15s. to 9s. per pound for third grade. Prices declined somewhat, however, towards the end of the financial year.