

1898.
NEW ZEALAND.

KAURI-GUM INDUSTRY

(REPORT AND EVIDENCE OF THE ROYAL COMMISSION ON).

Laid on the Table of both Houses of the General Assembly by command of His Excellency the Governor.

COMMISSION.

To all to whom these presents shall come, and to EDWARD TREGEAR, Esquire, of Wellington, Secretary of the Department of Labour and Chief Inspector of Factories, and GERHARD JOHN MUELLER, Esquire, of Auckland, Chief Surveyor and Commissioner of Crown Lands: Greeting.

WHEREAS representations have been made from time to time to the Government of the colony as to the conditions and status of persons engaged in the industry of procuring and getting kauri-gum in the Provincial District of Auckland, and as to the mode of selling and disposing such gum, and also as to the existence and nature of contract labour alleged to be employed or imported in the said industry, together with its effect in regard to other labour employed or engaged therein; and that the lands of the Crown are impoverished without adequate royalties being paid therefor or commensurate collateral benefit being received by the colony; and that those engaged in the industry are not fairly treated in the sale of the gum produced, in that conditions are imposed which are detrimental to their well-being:

Now know ye that, in pursuance and exercise of all powers and authorities me enabling in this behalf, and acting by and with the advice and consent of the Executive Council of the Colony of New Zealand, I, Uchter John Mark, Earl of Ranfurly, Governor of the said colony, do hereby appoint you, the said

EDWARD TREGEAR and
GERHARD JOHN MUELLER,

to be Commissioners for the purpose of inquiring into the matters hereinbefore set forth, and also, in particular,—

1. To report on the condition of the gum trade, industrially and commercially:
2. To report on the condition of those engaged and occupied in digging the gum, and the remuneration received by them, and, as to sale, whether there is freedom of contract or not:
3. To ascertain if there has been a large influx of labourers from outside the colony to the gum-diggings, and, if so, whether the same are free labourers or under contract:

4. To inquire whether those engaged in gum-digging on Crown lands hold licenses therefor, and as to what payments are made for the use and occupation of the said Crown lands :
5. To advise as to the best and most effectual means to conserve the interests of the colony and the well-being of those engaged in the gum industry.

And for the better enabling you to carry these presents into effect you are hereby authorised and empowered to make and conduct any inquiry hereunder, at such places in the Provincial District of Auckland as you deem expedient ; and also to call before you and examine on oath or otherwise, as may be allowed by law, such persons as you think capable of affording you any information in the premisses ; and also to call for and examine all such books, documents, papers, or records as you think likely to afford you any information in the premisses ; and generally to inquire therein by all lawful ways and means whatsoever. And, using all diligence, you are required to report to me, under your hands and seals, your opinion resulting from the inquiry hereby directed in respect of the several matters investigated by you under these presents, not later than the 1st February, 1898, or such extended date as may hereafter be appointed in that behalf. And it is hereby declared that these presents are subject to the provisions of "The Commissioners' Powers Act, 1867," and its amendments ; and also that these presents and your powers and functions as Commissioners hereunder shall continue in full force notwithstanding that the inquiry hereby directed may be interrupted from time to time by adjournment.

In witness whereof I have hereto set my hand, and caused these presents to be issued under the seal of the said colony, at Wellington, this 27th day of December, 1897.

(L.S.)

RANFURLY.

Issued in Executive Council.

J. F. ANDREWS,

Acting-Clerk of the Executive Council.

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REPORT.

To His Excellency the Governor.

MAY IT PLEASE YOUR EXCELLENCY,—

In obedience to the instructions contained in Your Excellency's Commission dated the 27th day of December, 1897, directing us to report on the kauri-gum industry generally, the condition, &c., of those engaged thereat, the influx of labourers, and to advise as to the best and most effectual means to conserve the interests of the colony, and the well-being of those engaged in the gum industry, we have now the honour to inform your Excellency that we have completed our investigations, and beg to report as follows:—

1. We have visited most of the principal gumfields of the Auckland District for the purpose of taking evidence, and have also examined some of the principal gum-merchants of Auckland City, and many others connected with or interested in the gum trade. In all we have held forty meetings, at thirty-one different places, and have examined 193 witnesses (see Appendix), besides conversing with a large number of gum-diggers, settlers, and other persons on various subjects connected with the industry, who happened to attend the sittings of the Commission and listened to the evidence then taken, or whom we met on our travels through the district.

2. The gumfields north of Auckland City comprise 724,000 acres; those south and east of Auckland 90,000 acres; total, 814,000 acres: and this area consists of 435,000 acres of Crown lands, 166,000 acres of Native lands not yet adjudicated upon by the Native Land Court, and 213,000 acres of private lands held by Natives or Europeans. This total area of 814,000 acres comprises the land known up to the present to be gum-bearing, but may be greatly augmented by new discoveries, for lands in many parts of the district are being worked which some years ago were thought to be non-gum-bearing. There is also this peculiar feature about the gumfields of the north: that in many places two, three, and sometimes four layers of gum have been found, betokening the existence of two or three kauri forests, which on disappearing, or, as is probable, on being destroyed by fire in ages past, left in succession their quota or layer of gum in the ground. On this account it has frequently happened that fields which years ago have been pronounced worked out have been taken up again and profitably reworked, and this same process is going on at present.

3. In many respects the conditions which obtain with the gumfields of the Auckland District resemble to a remarkable extent those which obtained on the alluvial goldfields of the South Island: the richest deposits or layers in both Otago and Westland were discovered and worked first, and these were found near the surface. Subsequently the lower layers were discovered and worked, and thereafter ground was and is still profitably worked by combination of labour and improved means, which, owing to the small quantity of gold it contained, was declared worthless by experts a few years previously. Exactly so was it with the kauri-gum—the largest pieces, technically called “bold gum,” were found on the surface, or barely embedded in the soil. Next, the gum-digger had to search for it 10 in. or 12 in. deep with the spear; then a second and third layer of gum was discovered on fields that were thought to be exhausted, and the large gum-spear, 8 ft. to 12 ft. long, was used to discover, and a hook to bring to the surface, the gum in the swamps, which a few years ago were not known to contain gum. At present the smallest pieces of gum are greedily sought after which could not have found a purchaser in years past, and fields are worked which before had been considered worthless. The cry for the past twenty years has been that the product was nearly exhausted; but at the present day the output is nearly as much as ever, and the price of the gum is higher than ever before.

4. These remarks naturally lead up to the likelihood of permanency of the gum industry, but, as we propose to deal with this question in connection with some other phases of the subject, we shall content ourselves now with simply expressing our profound regret that an industry which up to the end of 1897 has yielded product for export to the value of £8,162,945, has not been made to contribute anything to the revenue of the country, although the procuring of that product involved the destruction of the little soil on the land from whence it was dug, and a large expenditure annually for reconstruction and maintenance of roads from the gumfields to the towns and shipping-ports. We have evidence to show

that kauri-gum is a unique article among gums, inasmuch as it has good qualities not found among other gums; but it stands unique also in this respect, that it is the only product which has been practically allowed to be abstracted from Crown lands without being paid for.

5. The persons engaged in procuring the gum from the soil may be divided into three classes, namely: the diggers proper, who entirely depend for a living upon the gum; the settlers, who, as a rule, only occasionally work on the gumfields to supplement their earnings from the land; and the Maoris, who take to gum-digging only when their crops prove a failure or their stock of provisions gets exhausted. The mode of working is invariably that with spear and spade, and, except in the case of the Austrians, regarding whom particulars will be given in a subsequent part of this report, there is no combination of labour, but every man works for himself.

6. For digging gum on Crown lands a license-fee of 5s. has been charged in years past. The collection of this fee was left to the several County Councils. These, however, with one exception—that of the Hobson County Council—abandoned the collection, as they found that the cost of doing so amounted to as much, and in some cases to more, than the sums collected; moreover, the Collector of the Hobson County, in his evidence, after enumerating the many difficulties he had to encounter in trying to obtain payment of this fee, expressed his opinion that the revenue derivable therefrom was not worth collection.

7. For the right to dig gum on private lands or on Native lands various systems of charges are in vogue. In most cases payment of a fee ranging from £1 to £7 10s. per annum is the condition of being permitted to dig gum; but, in the case of those holders of private lands who are storekeepers, the usual arrangement is that the gum-digger working on such lands must sell his gum and obtain his provisions or stores from these storekeepers. A great deal of gum-digging is carried on upon lands owned by absentees but administered by agents in the colony, and your Commissioners have been urged to recommend the Government to acquire these lands by repurchase, for the benefit of the industry. It is a matter to be deplored that these gum-lands have ever been parted with; but, seeing that they are now being worked for gum, we cannot perceive the necessity of the country incurring a large expenditure for the purpose of simply enabling a few hundred diggers to obtain gum therefrom without paying an annual fee to the agent of the absentee. Wherever these absentee lands contain a fair proportion of cultivable land fit for settlement, we are, however, of opinion that Government should avail itself of the opportunity given of obtaining it for that purpose at a reasonable cost per acre, and so give the diggers employed thereabout the opportunity of establishing a permanent home for themselves. There are also other lands owned by non-residents, from which gum-diggers have removed and are removing quantities of gum, apparently under the idea that non-interference in the past constitutes a right under which they can help themselves to the gum and sell it to the storekeeper.

8. The great drawback to settlement in most parts of the country north of Auckland is the scattered nature of the really good settlement-lands. Generally speaking the good land is in the valleys, and is of comparatively small extent: 5,000 acres here, then a stretch of perhaps ten miles of poor pipeclay gum-lands, next, 6,000 acres of fair settlement-lands, and again a stretch of fifteen miles of pipeclay lands, and so on: thus necessitating many miles of roads to connect the various settlements. The first requirement for successful settlement, next to good quality of soil, is the road communication, and this is kept in the worst possible state through the damage and mischief done to the roads by the gum-traffic. The state of these roads in winter time is bad beyond description. The Kauri-gum Industry Inquiry Commission that reported in 1893 stated as follows:—

The present desperate condition of the northern roads is due chiefly to the gum traffic, including under that term the cartage of stores to the fields, as well as of gum from them. Other causes, such as, in some parts, the cartage of timber, have their share in the mischief, but the gum is chiefly responsible. In the Maori parts of the district the surface of the ground which is supposed to indicate a line of road is reduced to a state scarcely describable, by the use of bullock-drays, which, in proportion as they destroy the roads, require the services of a more numerous team of bullocks, and by this means the mischief is continually augmented. Some particulars relating to this subject may be found in various parts of the evidence; but it would be very difficult to pen any description which would enable the state of the roads to be realised. It is sufficient to say that their condition is now such as to render nugatory any prospect for future settlement which the North might otherwise have; that it largely increases the cost of carriage, and so renders living much more onerous to the gum-digger as well as the settler; that it wears out and destroys to a lamentable extent the live-stock, to say nothing of the men engaged in the work of conveyance; that the county authorities and Road Boards have no adequate means of improving it, but are obliged to leave it a permanent and hopeless impediment to the progress and prosperity of the country.

This description of the roads, given by the former Commission, as to their state, applies to-day. We have it in evidence that in many cases the charges for freight from certain gumfields to shipping-port or town, and *vice versa*, during seven months out of the year ranges from £3 to £3 10s. per ton, when a charge of 10s. to 15s. per ton would be quite as remunerative to the carter, if there were properly constructed roads. In other words, the cost of living would be reduced to the gum-digger by about 1s. 6d. per week, and the carriage of his gum by 3s. per hundredweight. On the other hand, proper road communication with a shipping-port, &c., would be a boon to the struggling settlers of the North, that in many cases would mean transposing failure into success, and would enable them to establish themselves permanently on their holdings. It may be mentioned here that it is the absence of suitable road-metal in the north of Auckland that makes the construction of roads so expensive in that district, and accounts for their being speedily cut up and transformed into quagmires by gum-traffic, &c., as soon as the wet season sets in.

9. The gum industry, though in so many respects a blessing to the Auckland District, has had its abuses, and has in some ways acted detrimentally to that part of the colony; but for this, it must be admitted, those that have had the administration of affairs are to be blamed rather than the industry itself. Under judicious management it should have been made to yield the means requisite for supplying the arterial lines of communication for the whole of the North, and steps should have been taken to counteract, to some extent, the evil effects to the soil which are so apparent to any one traversing our gumfields. The ground has been roughly dug up wherever gum was suspected to exist, and the thin layer of top-soil, generally only a couple of inches thick, was buried a foot or more; deep holes were made, and left unfilled, and even the very roads were dealt with in the same way; but what has led to far greater destruction of the soil was the continual burning-off of the tea-tree and fern. The gum-digger does not cut down and clear away the vegetation on the surface of the ground he wishes to work for gum. Doing so would be too much trouble to him, and he therefore has recourse to the simpler method of "putting a match into it," and burning-off what there is of vegetation. If he were to adopt this method, and burn only the particular spot he meant to work, then no fault could be found with him; but invariably the fire is allowed to spread, and hundreds and often thousands of acres are burned, when the object was simply to work a few square yards, or, at the utmost, a few square chains of ground. This wanton burning-off is fearfully detrimental, even ruinous, to the ground, as the fire consumes the rootlets, pulverises the little soil there is, and then ashes and soil are carried away by the wind. There are stretches of gum-land everywhere throughout the North where repeated burnings have caused every vestige of soil to disappear, and where there is nothing but the bare white pipeclay left. Not only has the soil been thus destroyed, but in many instances these gum-fires have caused great loss to the settlers—their fences have frequently been destroyed, their homesteads placed in imminent danger, &c. On our journey north we saw the effect of several of these fires; at one place we found four telegraph-poles burned to the ground, and at least eight others badly damaged.

10. It is true that until lately there never seemed to be much chance of grasses taking root and growing on these gum-lands, but there is certainly far less chance of their doing so where the few inches of soil have disappeared altogether. This state of things is the more to be deplored, as experiments carried on during the last four or five years with the view of establishing grasses on poor gum-lands have proved fairly successful in several localities. The grass named *Poa brownii* has spread remarkably well in different places, and seems even to drive the small tea-tree off the field. Although it is not a very nourishing grass, and is not one of which stock is particularly fond, it is better than the natural growth on these gum-lands—viz., fern and tea-tree, which neither cattle nor sheep will eat. There are, besides the *Poa brownii*, several other grasses, such as rat-tail and buffalo grass, which are making fair progress in some parts of the gumfields.

11. While on this subject we may also direct attention to the very valuable experiments with gorse carried on by Mr. T. C. Williams, of Wellington, at Pakaraka, under the supervision of his son (Mr. Guy Williams), who kindly showed us over the estate and explained the cultivation and working of the gorse-culture for pasture. A perusal of his evidence attached to this report will no doubt be read with great interest. The procedure, in short, is this: The ground is ploughed, and gorse is sown either broadcast, or in drills or rows 3 ft. apart, leaving a space sufficiently wide to allow the sheep to pass up and down between the rows. When the gorse reaches a certain height, stock is turned in, and the gorse eaten

down. The stock is then removed to the next paddock, then to a third and fourth, by which time the first paddock is ready again for pasturing. Experiments of various descriptions have been made by Mr. Williams as to gorse-culture, and the fattening of stock, into the particulars of which it would not be expedient to enter here. Suffice it to say that land which formerly would not feed a sheep to the acre has been made to carry and fatten five and six sheep to the acre when planted with gorse. It has been proved beyond a doubt that our gum-lands are capable of being thus cultivated to good purpose, and, as this is a matter of such great importance to the country north of Auckland, your Commissioners would venture to suggest the advisability of Government following up these experiments by setting apart a portion of our poor gum-lands as an experimental farm for gorse-pasture only, and by issuing pamphlets from time to time, giving the best courses of procedure, in order to instruct our settlers how to proceed to put these clay-lands to a profitable use. It is in view of the prospect of this future usefulness of the poor gum-lands that your Commissioners recommend that prompt steps should be taken to put a stop to the wanton burning-off of the scant vegetation thereon, and a heavy fine should attach to any digger burning more than about a chain square at a time. It would be still better if "burning-off" on gumfields could be prohibited altogether.

12. Another use to which our gumfields might be put is the planting of marketable and useful trees. On many parts of the gumfields—more especially those which have escaped the ravages from fires—the natural growth (tea-tree and fern) is sufficiently high and thick to make tree-planting rather precarious on account of fires, but no such objection could be urged to planting pipeclay lands, which carry only small stumpy tea-tree and fern of a foot or less in height, or those clay lands from whence the little soil has disappeared by reason of repeated burnings. It is strange, but true, that several of the European and Australian trees will grow where the top soil has disappeared, and where neither fern nor tea-tree seems able to start growing again. Judicious tree-planting therefore, and more especially the sowing of seeds of suitable grasses, which on many parts of the gumfields have proved a success, would be of immense benefit to the North, and assist in gradually transforming the waste of clay and gum-lands into useful country. The cost of any seed-sowing or tree-planting would, of course, be a legitimate charge against the export duty, which your Commissioners recommend further on.

13. Regarding the permanency of the gumfields, a mass of contradictory opinions expressed by the various witnesses will be found amongst the evidence accompanying this report. In many cases the opinions given—that the fields would soon be exhausted—have reference only to the particular part of the gumfield on which the witnesses happened to live, or with which they were familiar: not a few of those best acquainted with our gumfields as a whole consider that the present generation will not see the end of the gum industry in New Zealand, and your Commissioners are strongly of opinion that this will be fully verified. Fresh fields and new layers of gum are being constantly discovered, and immense areas of the known old fields have only been touched here and there, or have practically been only "skimmed over." It is all but certain that systematic and co-operative working of the fields will in years to come replace the present working by individual diggers, and fields now abandoned will be reworked. It has been urged that the gradual decrease of gum export since the time the first Commission reported in 1893 to the present time is a proof positive that the gum is getting scarcer. Such, however, is not the case. In 1893 there was a great over-production of gum, and this, together with the commercial crisis in America, Europe, &c., in subsequent years brought about a drop in the price of gum of £15 per ton in round numbers. Soon after the mining boom began in New Zealand the timber trade became exceedingly brisk. Thousands of those employed at gum-digging left that occupation and found work on the goldfields and in the forests, and of course the output of gum proportionately diminished. It is a matter for congratulation that this turn of events took place, for it at once relieved a glutted market, and raised the price to its former height. At the present time, as already stated, the price is higher than ever before in the annals of the gum industry. The export during last year (1897) was 6,450 tons. Roughly speaking, the requirements of the trade in London and New York—our two principal markets for kauri-gum—are 8,000 tons per annum, and hence the large rise in price. To insure good prices in the markets the output of gum must be restricted to the above tonnage per annum, and special encouragements to go upon the gumfields should on no account be given; legislation, indeed, should be entirely in the opposite direction, lest we be made to pass through a season

of low and ruinous prices again, as in 1894. These considerations, we respectfully submit, are another powerful argument for the imposition of an export duty, for the purpose of compensating the North to some extent for the great losses suffered in the past through the gum industry, and for enabling the different counties to construct the much-needed roads.

14. Many of the settlers have brought under your Commissioners' notice the desirability of reserving special blocks of gum-land for the exclusive use of the settlers in their several districts. While realising the desirability of making some of the reserves thus specifically applied for, in order to insure to the genuine settlers gum-lands conveniently situated, and so give them the opportunity of earning some money for the further improvement of their holdings, we consider that the carrying out of the project is beset with many difficulties. The surveys of these blocks would involve a very heavy and perhaps a practically useless expenditure. Many of the settlers, there is reason to believe, prefer to be at liberty to dig gum where they please. These special reservations, moreover, would be a source of dispute and strife, and would require continuous supervision to prevent trespass. Your Commissioners, therefore, do not see their way to recommend that such special blocks of gum-lands be reserved for particular sections of the community.

15. An indirect result of the kauri-gum industry has been to a certain extent to diminish the resourcefulness of settlers themselves. In other parts of the colony a farmer has to rely upon the proceeds of his farming industry for his sole subsistence and that of his family, but in the North the knowledge that a few pounds can always be obtained by gum-digging prevents some of the settlers from obtaining all the benefit that could be wrested from the tillage of the soil. Nor has the northern settler gained greatly by being able to furnish supplies to the large number of gum-diggers around him. The food supplied by storekeepers to diggers is in most cases imported from abroad—tinned meats, tinned milk, tinned butter, tinned fish, tinned fruit, &c., being the staples of consumption, not only in the diggers' tents, but in the accommodation-houses also of the far North.

16. The men known as Austrians on the gumfields are visitors from Lower Austria. They are mostly natives of Dalmatia, but some are from Istria and Croatia, a few also being from the Balkan States, Montenegrins, Bulgarians, &c. They are a hardy, sober, industrious, law-abiding people. This character is given to them with one consent by all the witnesses, whether storekeepers, settlers, or British gum-diggers. In their own country they were mainly agriculturists, engaged at work in the vineyards, olive groves, &c.; but some are fishermen from the islands in the Adriatic. Many of them are very young men, and it is asserted that their desire to escape military service prompted emigration. Very few of them have wives or children in this country, but many of the older men have families in Europe. Those who have already put in part of their time at military service have every now and then to report themselves and get their passports *visèd* by the Austrian Consul in Auckland; but the younger men do not attend at the Consulate for this purpose, and hence there is no check upon the number arriving or leaving the colony. They speak a Slavonic dialect, not German. The older men are not educated, but the younger men can all read and write, under the excellent system of education that now obtains in Austria. They appear to have strong family affections, much of the money sent home being for the purpose of aiding brothers and other male relatives to come out here also, or for the purpose of helping their families at home. They appear to have been attracted to this country by accounts sent from New Zealand some years ago by two sailors, but still more recently by the return of some lucky Austrian gum-diggers, who took home some £9,000 drawn in one of Tattersall's racing sweeps. They began to appear on the gumfields in great numbers, and we consider that there are between fifteen hundred and sixteen hundred now in New Zealand, but they are so widely scattered, and their numbers are so constantly changing locally, that it is difficult to give the exact enumeration. It is said that there has been failure of the fruit crop, and general scarcity, of late years in Dalmatia, and, if so, it would account for the necessity of many leaving home in search of work; but as most of the men earned previously, on an average, only 1s. 2d. a day, it is easy to understand that the country in which some of them are gaining from £3 to £5 a week would have sufficient attractions, without even the spur of hunger behind them.

17. They generally camp together in twenties or thirties, digging in the swamps in summer and on the hills in winter. They work very long hours, often being in the field awaiting the first light of dawn to commence their labour, and ending only when darkness compels them to desist. The evenings and part of the night they spend in scraping the gum.

Unlike the British gum-digger, who is generally a solitary worker, the Austrians seldom stray from each other, and upon a rich find of gum being made they all proceed to work it "on the face," as it is technically called—that is, digging up and turning over the whole of the ground, sometimes for many feet in depth. This is, of course, the proper method to pursue if the whole of the gum in the ground is to be removed, but is one of the causes of offence alleged against them by the British digger and the settlers, as the thoroughness of the manner in which the ground is cleared leaves no hope of any gleaning after them. Formerly the digger or settler prodded here and there, dug a hole in a likely looking spot, and then wandered on: there was probably as good gum behind him as before him; but no one could hope to work after the Austrian digger with any prospect of success. The Austrians live frugally at first, and with due regard to their own slender finances; but after being here a little while, and earning money, they soon find that to continue labour in the exhausting manner they work, and for such long hours, a more generous diet is indispensable. Their food on the gumfield costs them generally from about 10s. to 14s. a week, and consists of tinned meat, potatoes, flour, lard, coffee, butter, &c., averaging quite as much as that of the British digger.

18. Your Commissioners have made exhaustive inquiries as to the existence of a contract system in the despatch of Dalmatians from Europe. Almost the whole of the evidence tends to prove that there was no contract on the part of any person to supply labour to the gum-fields. The procedure was generally as follows: The men have raised money, either by mortgaging their properties, or on security given by relatives or other persons, and have thus obtained the passage-money necessary for immigration to this colony. The amount thus required for each averaged £30, being £25 for passage *viâ* Trieste, and a few pounds for incidental expenses. The money was obtained from private persons, money-lenders, &c., and with its interest at 10 per cent. had to be repaid at a certain date. Every effort is made by the immigrant to repay this advance within the specified time, and if fortune does not favour the new-comer sufficiently to enable him to do this, the balance has sometimes been advanced by his fellow-countrymen on the gumfields. The passage-money having been repaid, the Austrian gum-digger is entirely free, and there is no evidence that he and his earnings are under any bond whatever. Rumour has frequently asserted, and some allusion has been made in the evidence to the accusation, that occupiers of gum-land in New Zealand have paid agents in Austria, who induce the Dalmatian peasantry to leave their country and flood the gum-fields of the colony. Your Commissioners do not consider that sufficient evidence to this effect was brought forward to give weight to the assertion, nor were they able, after prolonged inquiry, to satisfy themselves that such a state of affairs existed. The current of immigration from Dalmatia appears to have flowed hither without any other directing power than that of the high earnings reported on and communicated across the sea by Austrians themselves.

19. There is reason to believe that, out of the fifteen hundred Austrians located in the colony, at least a thousand have banking accounts (some of these being from £500 to £800), and besides this accumulation of wealth there are large amounts of money forwarded to Austria every month. It is difficult to arrive at an exact estimate of the amount of money they send away from the colony, because some is transmitted through the Post Office, some by bank draft, and a portion in gold, on the persons of those returning home. Some notion of the magnitude of such dealings may be arrived at if we consider that some of the men have earned from £5 to £8 per week above expenses, and that the average savings must, at the lowest, be £1 per week per man. Calculated on this basis, the fifteen hundred diggers would save some £1,500 per week, or £78,000 per annum. That a large portion of this is exported may be surmised from the fact that from one store £1,277 was sent through the clerk in four months and a half to Austria, and this did not include post-office orders, or remittances forwarded directly by the diggers themselves. Much of this money, however, may be sent away through the ignorance of the Dalmatians as to profitable investment in the colony. We have been informed that two young men who were each transmitting £80 for investment in Europe were asked how much interest they expected for their money. They replied that if they received 1 or 1½ per cent. they would consider themselves well off. On being told of the interest paid in this colony on Government securities and in the Savings-bank they were surprised, they having considered the Savings-bank as merely a secure place of deposit, and being unaware of the annual addition of interest. This would seem to point to the advisability of a translation being made into the Dalmatian language of the regulations

concerning the Savings-banks, Government debentures, &c. In one locality two Austrians have started a store for the purpose of supplying their countrymen on the adjoining gum-fields, and so breaking the monopoly of the local storekeeper.

20. One complaint of the British gum-digger and the settler is that the Dalmatian is rapidly depleting the resources of the gumfields. Another complaint is that the quantities of gum brought into the market by the Austrians serve to lower the market price. Yet another complaint is that the Austrian's ignorance of the English language prevents him understanding market quotations, and makes him accept any price for his gum that the storekeeper chooses to give, thus lowering the general value, and supplying a reason why storekeepers prefer Austrian diggers on their leases. These complaints are supplemented by the further objection urged by the ordinary citizen of New Zealand—namely, that the resources of the colony are exploited, and their value sent away without any adequate return. The difficulty caused by the presence of these foreigners cannot be met without serious consideration, but it is imperative that that consideration should contain the germ of prompt and resolute action. The cry of the unthinking, that a poll-tax should be levied on the Austrian immigrant, is unworthy of notice. The bond of international reciprocity and good feeling between Great Britain and Austria would at once prevent such a solution being seriously considered. Your Commissioners believe that if it is impossible to turn back the tide of foreign immigration from the gumfields, it may perhaps be directed into profitable channels. The Austrians—laborious, energetic, resourceful, well-behaved—would make admirable settlers, could we utilise the qualities they at present display.

21. If blocks of land of good quality could be set aside for them, as well as for other gum-diggers, on which they could make their homes, many of them would doubtless turn their knowledge of wine and olive-culture to good account. Twenty-acre sections would be sufficiently large, and, if some of these blocks were selected near harbours or tidal creeks, the experience of these people as fishers would doubtless be of great help. But, at first, they should be grouped near each other. This is necessary, because they are generally ignorant of the English language, and would find reliance in mutual support and neighbourhood. If during a portion of the year they employed themselves upon the gumfield, and the rest of their time upon their farms, the money obtained by their industry as diggers would find legitimate outlet in adding to, instead of subtracting from, the resources of the colony. We are of opinion that the younger men—that is, from one-half to two-thirds of those now in the colony—would avail themselves of the offer of land, either as freehold or lease. Your Commissioners are of opinion that, even while such blocks are being sought for and surveyed, the ordinary land-laws of the colony should be translated into Dalmatian, so that those who wish to become settlers at once may have the opportunity of doing so, and thus investing the money they save.

22. Whether the proposal to attempt such a scheme of settlement for those Austrians now in New Zealand be approved or not, we respectfully point out that means must be adopted to prevent the spread of such further immigration, as the supply of both gum and land is by no means inexhaustible. We therefore advise that due notice be given that after a certain date—say, six months hence—no person excepting a settler will be allowed to hold a gum-digger's license in New Zealand till after a twelve months' residence in the colony. In such a case, an immigrant on arrival must either at once take up land, or find some other employment than gum-digging, until qualified by a year's residence. Authorised persons should be empowered to demand the production of his license from any person found digging gum, and a heavy penalty should be inflicted upon unlicensed gum-diggers. The fee for a license should be but nominal—say 1s.—just enough to cover cost of issue thereof; and every license issued should be signed by the applicant, to prevent transfer to others.

Your Commissioners would urge upon your Excellency and upon Government the pressing nature of the Austrian difficulty. At Mangawhai, for instance, if the four hundred Austrians at present encamped in the vicinity stay for another season the greater part of the remaining deposits of gum there will be swept away, and it will be idle for the settlers to attempt to dig for that material near their holdings in the future. Their land is not of the best quality, and it is asserted that, if the settlers cannot procure a little gum now and then to provide them with ready money, they cannot obtain a living from their farms, and will probably have to abandon them.

23. Complaints have been made from all parts of the gumfields for some years as to the prevalence of what is called "the truck system"—that is, of payment being made in goods instead of in cash. "The Truck Act, 1891," being a statute dealing with the relation

of employer and worker, does not apply to the transactions between gum-digger and gum-buyer, as each is supposed to be a free agent, not bound by any contract. We have found that in some cases the digger is under considerable disadvantages through not being paid in cash; but there are several sides to the question, and the circumstances alter in certain fields. On a leased field or freehold land the owner or occupier can, of course, make what terms he pleases with the digger who expresses his wish to work on such property. In some cases the occupier requires either a rental per annum or a royalty on the quantity of gum extracted, but in many other cases he allows the digger to take what gum he pleases from the ground, on condition that the gum is sold to the occupier, and all provisions bought at his store. If these conditions be acceded to, the digger must trust entirely to the honesty of the storekeeper not to pay him too little for his gum, and not to charge him too highly for his stores. As a matter of custom, the amount owing for stores is deducted from the value of gum received before the balance is handed over; and it would not only be detrimental to the industry to interfere with this method of payment for advances of food-supply, but it would be specially and directly harmful to the digger himself, as his credit would immediately cease. If the digger considers that too much is being exacted from him in the way of unlimited tribute on his gum and provisions his only remedy is to move further on, either on to the lands of the Crown or those of some other proprietor.

There have been brought under your Commissioners' notice instances where the balance between the price of gum sold and the store account has not been handed over, but simply carried on as a credit in the books, and the digger has found it almost impossible to obtain any cash whatever, without taking legal proceedings, that in remote country districts would entail great trouble and expense. Moreover, pressure is applied in some cases to men who are not digging on the lands leased by the storekeeper, but on adjoining Crown lands, and they are ordered to sell their gum to the storekeeper at a low price on pain of being refused supplies of provisions, even for cash. In a lonely place, where sometimes for many miles there is only one store, the cost of sending the gum away to some distant place of sale compels the digger to accept harsh terms of purchase. It was urged by some witnesses that it was impossible to escape this levy by sending their gum direct to Auckland, as, if it became known to the local storekeeper that gum was being sent away, not only would every difficulty of transit be put in his path, but a telegram would at once be forwarded to Auckland warning merchants there that if such gum was purchased business relations with the storekeeper must cease. No corroboration of the statement was received from Auckland merchants, but they stated that they did not care about receiving small parcels direct from diggers, as these involved too much trouble and expense in handling, &c.

The greatest hardship is felt by the diggers should the storekeeper be also the holder of a publican's license. In such a case many of the diggers—men who under a hot sun spend long hours of toil—find themselves betrayed by persuasion and their own moral weakness into wasting their paper credit on intoxicants, and they go on from year to year little better than slaves, without homes and without money, unable even to get the passage-money to leave the district. They are, in fact, as they have been named to us, the publican's "working bullocks." Such a state of things needs remedying; and if the provisions of the Truck Act be not made applicable to buyers and sellers of gum, lest the honest storekeeper be unable to recover the value of goods supplied, at least there should be insured to the digger the certainty that after winning the gum he could, on demand, obtain in cash its value, less the price of stores already supplied to him.

24. Complaints were received from diggers to the effect that they were often unjustly dealt with in the matter of weight. Instances were given of many pounds in the hundred-weight being pilfered from the seller of gum by means of unproved balances and scales. It appeared from the investigations of your Commissioners that the system of inspection of weights and measures was exceedingly defective, and that some of the weighing appliances were of a very primitive or antique character. At present the visits of Inspectors are few and far between, in some cases years having elapsed without any visit having been made to certain establishments. The Inspector is handicapped by the weight and bulk of the testing apparatus that he has to carry, and his progress in remote and unsettled districts is at once slow and well known, so that concealment of false weights and unfair balances is comparatively easy. Even in the more complex weighing-machines the unscrewing of a nut on the regulator affects the weight recorded, and it is difficult to see how a check could be applied, unless the regulating apparatus could, by an alteration of the present machine, be locked and sealed by the Inspector. Nevertheless, attention should be given to it by practical men, not only

for the protection of the digger, but to prevent the possibility of false charges being brought against the honest buyer of gum.

25. The trade in kauri-gum practically commenced in 1847, and its price continued from that date up to 1853 to be about £5 per ton. After the year 1853 the fluctuations, both in value and tonnage, of the gum were of an interesting character, and these can be best seen in a comparative form by reference to the table printed herewith in the Appendix. It will be noticed, on consulting this table, that the quantity of gum exported increased from 1,440 tons in 1856 to 8,271 tons in 1893, and since that date has diminished to 6,540 tons in 1897. The price has, however, steadily risen, till it now stands at the highest figure it has ever attained—that is, at from £61 to £70. Much less gum is now obtained by the individual digger than was formerly the case, some witnesses considering it as fully one-half, others one-third less. The steadily rising price enables a living to be obtained, even with the lesser quantity procured, and this increasing price justifies the idea that the rise in kauri-gum is not only because of the demand caused by the world's larger population, but also on account of the industrial virtues of the gum making it recognised as an indispensable ingredient in the manufacture of good varnish. It is true that there are other competitors with kauri-gum in the market; of these, the principal is that called Manilla, the Zanzibar and other African gums not being produced in sufficient quantity to offer effective rivalry. On this subject we will quote from the report of the former Commission the remarks made by Mr. Ingham Clarke, F.L.S., F.R.G.S., an eminent London varnish-maker. He says:—

The total annual imports of varnish gums into England, a part of which is re-exported, amount to about 4,000 tons, nearly two-thirds being represented by the kauri-gum of New Zealand. About 400 tons came from our West African colony of Sierra Leone, 400 or 500 tons from the Philippine and adjacent islands (usually known as Manilla gum), and the remainder from various parts of the world. The "gum animé" exported from Zanzibar, is a high-class gum, but very limited in quantity, and is worth, in London, from £200 to £350 per ton. Manilla gums are so like the kauri-gum in appearance that it is almost impossible at sight to distinguish them, the greatest adepts being able to do so by the sense of smell only. The Manilla gums have all some tricky characteristic, which causes trouble to manufacturers even months after the varnishes are made. Some qualities are used in the manufacture of certain grades of ordinary varnishes. Others are unfit for use in the manufacture of oil-varnishes. The Damar gums are unsuitable for oil-varnishes, being only employed in the manufacture of spirit-varnishes, and do not come at all into competition with kauri-gum. Kauri-gum commands a supremacy in the market. There is, however, a shadow to this pleasant picture, for the excessive production, stimulated by the ever-increasing demand, is, without doubt, rapidly exhausting the known sources of supply. If it were not akin to heresy in these days to make such a proposition, one would be inclined to suggest that the New Zealand colonists should place an export tax on gum. No other gum could take its place, from a peculiarity which it possesses (entirely its own) of assimilating with oil more rapidly and at an easier temperature than any other gum. The Manilla gums, it is true, enter largely into competition with kauri; but, as we have already stated, they are treacherous in use, and mostly contain strong acids and other objectionable substances, thereby upsetting all theory and practice, and resulting often in injury to the manufactured article, and subsequent regret to those who use them. Kauri-gum is extensively employed by the leading manufacturers in every country where varnish is made. This universal favour we by no means attribute to the superior results to be obtained by its use, but rather to the fact that it is easier to manipulate—that is, it unites with linseed-oil quicker, and at a lower temperature, than any other gum. It is probable that the essential oil it contains acts in the fusing process as a solvent; hence, less heat being necessary, carbonisation is minimised, and a relatively paler varnish is the product.

The New Zealand gum-merchants seem to hold up the competitive powers of Manilla and other gums as a scarecrow, to prevent an export duty being applied to kauri-gum, urging that if such duty be imposed the other gums would be preferred, and the kauri-gum trade ruined. The fallacy of this reasoning has been fully exposed during the last few years, as the £3 export duty recommended by the previous Commission in 1893 would have only brought its then price up to £51 for the lowest grade quoted in the table, while in 1897 £61 is quoted as the market price of the lowest quality, thus showing that the non-imposition of the duty has caused a loss to the colony as follows:—

1893: At, say, £3 per ton duty ...	...	...	8,271 tons =	£ 24,813
1894	"	...	8,069 "	24,207
1895	"	...	7,198 "	21,594
1896	"	...	7,011 "	21,033
1897	"	...	6,450 "	19,350

£110,997

We may strengthen this view of the subject by calling attention to the demand for even the poorer qualities of kauri-gum. Swamp-gum, black jack, sugary gum, and other poor varieties are firmly placed in the market; even the dust and scrapings, formerly not worth

carriage, now have their price in the quotations. The greater part of the large quantity of gum produced by the Austrians this summer is the dark gum formerly despised. This appears to show that the rivalry of Manilla and other foreign gums is weaker now than in 1893.

26. It is desirable that certain disabilities now felt by colonial gum-merchants and buyers should, if possible, be removed. There is always a certain loss in weight in course of transit, partly caused by the friable nature of the commodity and its escape as dust from the packages, and partly by the gum becoming lighter as it dries and parts with its moisture to the atmosphere. These are legitimate shortages, for which allowance is properly made; but complaint is heard of excessive "sampling" in the London trade—*i.e.*, the removal of the best pieces in considerable quantities from the consignments. This appears to be considered in the Old Country to have become a vested interest on the part of certain agents or brokers. Another cause of complaint is the destruction of marks or brands. It is stated that there is a practice on the part of dealers before auction to destroy all brands or marks on the consigned cases except private marks known to the auctioneer. Sellers of carefully picked and sorted gum object to this, as it lowers the sale-price by their goods being put into lots with inferior articles. The reason offered for the practice is that the London brokers do not care to allow varnish-manufacturers to become acquainted with the names of New Zealand sellers of choice gums, lest they should deal directly with such sellers without the intervention of the middleman. One witness declared that his gum was mixed with stuff of an inferior quality and then put into the cases again. We therefore suggest that, not only for the collection of export duty (otherwise alluded to), but also for the protection of the colonial merchant, there should be officers appointed to grade gum for the London and American markets, precisely as butter is graded for export. The present diversity of sorting affected by each merchant could remain as a private commercial understanding, but would be considered merely as a subdivision of the Government grades. In order to avoid excessive inspection, and the examination of every case of gum, a sworn declaration should be made at the Customhouse as to the quality of each consignment, the grading expert being at liberty to open a case here and there promiscuously as a test, and forfeit the consignment in the event of false declaration. If it were made illegal to remove such Government grade-marks from the cases before the sale by auction it would be greatly to the benefit of the colonial gum-merchant, and prevent any tampering with consignments, and thus bring about a feeling of security between the seller and buyer such as has followed the grading of butter and other products.

27. The gum sometimes imported from New Caledonia to Auckland appears to be of little commercial value, but there is a danger that it may be used in adulterating stocks of kauri-gum. We therefore recommend that an almost prohibitive import duty be placed upon this article in New Zealand, as it appears to subserve no useful purpose at present.

28. Your Commissioners have devoted much thought to the question of how to prevent the sudden and excessive fluctuations of the kauri-gum market, as these have brought much trouble and even ruin on many dealers in the colony, and are causing uncertainty in every branch of the business and to every person engaged therein. The only remedy appears to us to be that of insuring that the production, or rather export, never exceeds the market requirements; but this cannot be satisfactorily accomplished excepting by making the industry a Government monopoly, and by placing it under the control of the administrators of the colony. We by no means offer this as a recommendation, but only present it as a conclusion arrived at—namely, that the excessive fluctuations in the gum-markets can only be obviated by some such drastic measure.

29. Your Commissioners reiterate the opinion expressed by the former Commission of 1893, as to the advisability of placing an export duty on kauri-gum; but with this difference: that we advocate a graded duty. We consider that a duty that would fall lightly on the more valuable qualities of gum would act prohibitively on the export of the poorer sorts now in large demand, and forming the bulk of the present year's output. Such graded duty should take the form of an impost of £3 per ton on the middle quality, rising to £5, or higher, for the more valuable kinds of gum (some of which is worth £200 per ton), and falling to £2 or less on the lowest grade. A simple system of grading into four or five qualities will be sufficient for this purpose, keeping a fixed ratio of value above and below the middle zero-point of £3.

Indirect arguments for the imposition of this duty are to be found in almost every sentence of this report. The spoliation of the Crown lands, the abstraction of the property

of non-residents, the destruction of the county roads, the introduction of foreign labour, all point to the need of some effort being made to retain and restore to the exhausted districts that have suffered under the industry some portion of the wealth now being removed. The millions that in former years have been abstracted from the northern districts of Auckland are beyond reach; the indifference of legislators, and still more a false idea of the usefulness of the industry to the districts in question, have clouded and befogged the whole political and economic outlook. If by "usefulness" is meant "permanent usefulness," the kauri-gum trade has been of little service to the colony, and in some years' time it will be found that the gum has gone, the diggers have gone, the money has gone, and nothing is left but hundreds of square miles of practically ruined country, excavated into holes and piled in heaps—a desert, streaked with destroyed roads and broken bridges. This is the outlook at present should the apathy of the past be continued in the future. On the other hand, if the project already spoken of—the construction and reconstruction of roads, together with the grassing and reforestation of Crown lands, &c.—can be proceeded with, it is possible that the old gum-lands may some day become inhabitable; but to effect this requires money, and money in large sums. It is quite hopeless to expect such grants to be allotted out of the general revenue of the colony; they must be derived from a special fund, and devoted by Act to the renovation of the northern lands. This is the only solution of the difficulty, and the legitimate source of such a fund is an export duty on the gum itself. That the export duty would to any considerable extent affect the trade in kauri-gum we do not consider probable. There is hardly a possible competitor; certainly none that could be relied upon to meet the enormous and sudden commercial strain as to quantity, if the varnish manufacturers, accustomed to far greater fluctuations in prices, refuse to buy kauri-gum because of a small export duty imposed.

30. One of the objections raised by some witnesses against an export duty on gum was connected with the charitable-aid question. It was asserted that a number of old men, now barely able to earn a living on the gumfields, would be thrown on the Charitable Aid Boards if an export duty was imposed. This objection was particularly urged by witnesses at the first gum industry inquiry in 1893, and your Commissioners therefore, at the present inquiry, took special pains to ascertain as correctly as possible the number of old men that this could refer to. Throughout the whole of the gum districts they could not find more than about fifty of those of whom it could be said that they barely made a living on the gumfields. Assuming, then, for a moment that the number of these old gum-diggers amounted to seventy-five, instead of fifty, and that an export duty would fall upon the digger—a proposition from which we emphatically dissent, feeling assured that in the case of a unique article like kauri-gum it must fall upon the consumer, always providing that the markets are not glutted with the product—these men would have to be assisted by the Charitable Aid Boards. On referring to the statistical returns of the Boards we find that the assistance given averages 5s. per week per man, equal in the above case to £975 per annum for the seventy-five gum-diggers. In the face of this we respectfully submit that it seems almost ridiculous to press this charitable-aid objection against the imposition of an export duty of £3 per ton, which, roughly speaking, would yield £21,000 per annum; the local bodies would not be likely to object to the payment of an additional £975 of charitable-aid rates when in return therefor £21,000 were expended on the construction of their roads.

It has been urged that the gumfields have been a valuable outlet for "unemployed" labour. This is exceedingly doubtful. They have been an easy outlet, but rather a costly one from the colonial point of view. The "unemployed" in other districts, when set to work, have been required to give an equivalent of useful result; but the "unemployed" labourer of any nationality who, going upon Crown lands in the Auckland District, occupies himself in removing gum that is the property of the colony, and in selling that property to the nearest storekeeper, can hardly be considered as rendering valuable service to the colonists at large. Lands that once contained from ten to a hundred pounds' worth of gum per acre have been rendered by such labour worthless and useless, and it is doubtful if the relief of the charitable-aid fund is balanced by the loss the country has sustained. An export duty would, at all events, recover some small part of the value now being lost by the settlers of the northern province.

31. All the subjects mentioned under sections 1 to 4 of our Commission have now, to the best of our ability, been reported upon, and there remains only the fifth section, under which your Excellency directed us "to advise as to the best and most effectual means to conserve the interests of the colony and the well-being of those engaged in the gum industry."

Most of the recommendations we have to submit for your Excellency's favourable consideration have been touched upon in the body of our report, and reasons given in full why these recommendations are made, and there is therefore now no necessity for doing more than recording them in their order without further comment. For ready reference, the paragraphs which treat of the several subjects are in each case given in parenthesis.

Our recommendations are as follows :—

(1.) That a graded export duty of not less than £3 per ton be imposed, based upon "good ordinary" gum as the standard. The proceeds of this duty to be set apart for the benefit of the gum districts. (See paragraphs 13, 25, 29, and 30.)

(2.) That no person other than aboriginal natives be allowed to dig for kauri-gum anywhere in New Zealand after a certain date unless he be in possession of a license, the cost of such license to be 1s., and the qualification to obtain a license to be either territorial or residential. (See paragraph 22.)

(3.) That all packages of kauri-gum should be graded and stamped before export. (See paragraph 26.)

(4.) That land be allotted for the settlement of landless gum-diggers, both British and Austrian. (See paragraph 21.)

(5.) That no more Crown lands containing gum should be sold at present.

(6.) That translation of the New Zealand land-laws, the Government Savings-bank Regulations, and the Commissioners' report into the Dalmatian language should be made for distribution. (See paragraphs 19 and 21.)

(7.) That no holder of a publican's license be permitted to deal in kauri-gum. (See paragraph 23.)

(8.) That weights and measures should receive frequent inspection. (See paragraph 24.)

(9.) That the buyer should be constrained to give payment on demand for all kauri-gum purchased, *minus* any contra account for goods supplied. (See paragraph 23.)

(10.) That the Government undertake experiments in connection with gorse cultivation, and that suitable grasses be sown on portions of the gumfields. (See paragraphs 10 and 11.)

(11.) That an import duty of £50 per ton be imposed on New Caledonian gum. (See paragraph 27.)

We now have the honour of submitting this our report to your Excellency. The subject of the kauri-gum industry is so extensive that it would be difficult to exhaust all points of interest, but we believe that we have, to the best of our ability, covered the main ground. We have received every courtesy and assistance from settlers, merchants, storekeepers, diggers, and all others that we have called upon to supply information. The only difficulty was with the Austrians, who appeared at times to imagine that the inquiry was in some measure directed against them, and hence some of them gave evidence rather reluctantly.

We have, &c.,

EDWARD TREGEAR.

GERHARD MUELLER.

Auckland, 7th March, 1897.

APPENDIX.

EARNINGS OF GUM-DIGGERS.

FROM all sources of information supplied the Commissioners compute the earnings of gum-diggers as follows: 3,800 British and Maori diggers earn £1 6s. per week; 1,500 Austrian diggers earn £1 11s. 6d. per week.

In this calculation the number of Maoris and settlers, who are but intermittent workers, have been reduced to the equivalent of able-bodied men working full time.

PLACES VISITED BY COMMISSIONERS IN COLLECTION OF EVIDENCE.

Auckland, Dargaville, Kaihu, Mangawhare, Waima, Mongonui Bluff, Harding's Swamp, Tutaraka, Aratapu, Te Kopuru, Vale of Avoca, Tangiteroria, Poroti, Wairua Bridge, Whakapara, Hikurangi, Ruakaka Swamp, Waipu, Whangarei, Mangapai, Hukerenui, Towai, Kawakawa, Opuā, Russell, Paihia, Kerikeri, Awanui, Waipapakauri, Waiharera, Houhora, Waihopo, Te Kau, Parengaranga, Mangonui, Totara North, Whangaroa, Kaeo, Kaikohe, Ohaeawai, Pakaraka, Mangawai, and Warkworth.

TOTAL EXPORT AND VALUE OF KAURI-GUM FROM 1856 TO 1897 (kindly supplied by Mr. H. Edmonds).

Year.			Tons.	Value per Ton.	Year.			Tons.	Value per Ton.
			£						£ s. £ s.
1856	...	...	1,440	13	1877	...	...	3,450	26 0 to 32 0
1857	...	...	2,521	14	1878	...	...	3,421	28 0 " 36 0
1858	...	...	1,810	11	1879	...	...	3,273	31 0 " 70 0
1859	...	...	2,010	10	1880	...	...	4,775	25 0 " 65 0
1860	...	...	1,046	9	1881	...	...	5,276	30 0 " 48 0
1861	...	...	865	11	1882	...	...	4,899	40 0 " 49 10
1862	...	...	1,103	10	1883	...	...	6,375	40 10 " 62 10
1863	...	...	1,400	20	1884	...	...	6,537	41 10 " 57 10
1864	...	...	2,228	28	1885	...	...	5,646	25 10 " 50 10
1865	...	...	1,867	24	1886	...	...	4,560	26 10 " 53 0
1866	...	...	1,943	No record.	1887	...	...	6,453	34 0 " 59 0
1867	...	...	1,989	"	1888	...	...	8,396	26 10 " 46 10
1868	...	...	2,157	"	1889	...	...	6,973	33 0 " 46 0
1869	...	...	2,640	"	1890	...	...	7,517	42 0 " 57 10
1870	...	...	3,940	"	1891	...	...	8,661	40 10 " 63 15
1871	...	...	5,226	£23 to £28	1892	...	...	8,404	46 10 " 73 10
1872	...	...	4,680	22 " 27	1893	...	...	8,271	48 0 " 66 0
1873	...	...	2,619	18 " 30	1894	...	...	8,069	39 0 " 54 0
1874	...	...	2,196	30 " 45	1895	...	...	7,198	51 0 " 69 0
1875	...	...	3,133	30 " 39	1896	...	...	7,011	57 0 " 74 0
1876	...	...	2,192	22 " 33	1897	...	...	6,450	61 0 " 70 0

MINUTES OF PROCEEDINGS.

THE Commissioners, Mr. Edward Tregear and Mr. Gerhard John Mueller, sat in their private room in Rogers's Hotel, Dargaville, on the 18th January, 1898.

The Secretary read the commission.

Mr. Edward Tregear was elected Chairman.

It was resolved to telegraph the Right Hon. the Premier for an extension of time, till the end of February, in which to report.

The following witnesses were sworn and examined: Thomas Somers, Ellis Rees Ellis.

The Commissioners then adjourned till next day at Waima.

The Commissioners sat at Nelson's store, Maunganui Bluff Swamp, on the 19th January, and the following witnesses were examined: William Reynolds, gum-digger; Alexander McCullough, gum-digger and settler; Bold Btomeh, Austrian.

The Commissioners sat at Kaihu on the 20th January. No witnesses.

The Commissioners sat at Dargaville (private room, Rogers's Hotel) on the 21st January, and the following witnesses were examined: Horace Hammond, William Fitzpatrick, Robert Griffen, John Brown, H. Basil Cox, Charles Flavell, John Goodall, Jacob Radatich, Peter Skakandich, Nicolas Skakandich, Nicolas Matulavii, John Bilish, Richard Mitchelson.

Telegram received from Right Hon. the Premier extending time to report till the 1st March.

The Commissioners visited Harding's Swamp, near Aratapu, on the 22nd January, and took the following evidence: Antonio Falconetti, Stephen Gadastephano, John Macoich, Marcus Dido-vitch, Arthur Negerrich. Jacob Radatich acted as interpreter.

The Commissioners visited, on the same day, Te Kopuru, and took the evidence of John Perry.

The Commissioners sat at Dargaville on the same day, and re-examined Richard Mitchelson.

The Commissioners sat at Vale of Avoca on the 24th January, and examined Peter Langton and Mark Ciprian.

The Commissioners visited Austrian Camp, near Wairua Bridge, on the 25th January, and examined Jefery Hunter, Sam Lucas, and Antonio Mititichi.

The Commissioners sat at Rawnsley's store, Poroti, on the same day, and examined Samuel Rawnsley.

The Commissioners sat at Police-station, Hikurangi, on the 27th January, and examined A. T. Bennett, R. Howie, Thomas Shore, and William Carter.

The Commissioners visited Austrian camp at Ruakaka Swamp on the 28th January, and examined R. Claridge and H. Sergeant.

The Commissioners sat on the same day at Waipu Junction, and examined K. McDonald and B. McLoughlin.

The Commissioners sat at Waipu on the 29th January, and examined N. Senteh.

The Commissioners visited Ruakaka Swamp on the same day, and examined N. J. Campbell.

The Commissioners sat at Hukerenui on the 31st January, and examined John Gray. Messrs. H. Bartlet, H. Collins, R. W. Brown, and F. T. Cowan, who were present, corroborated witness.

The Commissioners sat at Towai on the same day, and examined Robert Marshall.

The Commissioners sat at Awanui on the 3rd February, and examined L. H. Claudet.

The Commissioners sat at Waipapakauri on the same date, and examined Joseph Evans, Peter Bowker, Peter Sulenta, George Roday, Fred Russell, and James Baker.

The Commissioners sat at Waiharaha on the 4th February, and examined Matthew Steed and J. D. Williams.

The Commissioners sat at Houhoura on the same day, and examined Joidah Edward Thomas, William Wade, Frank Urwin, and Thomas Thatcher.

The Commissioners sat at Waihapa on the same day, and examined A. W. Cheeseman and J. McLee Tynan.

The Commissioners sat at Te Kau on the 5th February, and examined Selwyn Heyward, Matthew Tupuni, Edward Evans, and G. Hadfield.

The Commissioners sat at Parengarenga on the 6th February, and examined Nicolas Contula and John Bunteridge.

The Commissioners sat at Parengarenga on the 7th February, and examined Gustavus Yates, Samuel Yates, George Gosdin, and James Menzies.

The Commissioners sat at Mangonui on the 9th February, and examined J. T. Jellibrand and R. M. Houston.

The Commissioners sat at Whangaroa on the 10th February, and examined F. W. Sanderson.

The Commissioners sat at Totara North on the same day, and examined W. R. Lawrence.

The Commissioners sat at Kaeo on the 11th February, and examined James Halliday, Joseph Hare, jun., William Hearn, G. S. Seiver, and J. E. Connolly.

The Commissioners sat at Kaikohe on the 12th February, and examined F. P. Green, A. J. Wright, A. W. Edwards, and G. W. S. Patterson.

The Commissioners sat at Pakaraka on the 14th February, and examined G. C. Williams.

The Commissioners sat at Mangawhai on the 19th February, and examined C. E. Hogan, J. Sellwood, J. Billich, F. Shannon, W. T. Sarah, J. T. Somerville, and R. H. Moir.

The Commissioners sat at Warkworth on the 21st February, and examined M. A. Ferri.

The Commissioners sat at Auckland, in the Minister's Room, Customs Buildings, on the 23rd February, and examined L. Kinkelley, N. Green, and J. Franich.

The Commissioners sat at Auckland, in the Minister's Room, Customs Buildings, on the 25th February, and examined Edwin Mitchelson, Carl Leigner, W. H. Lyons, W. R. Walker, L. A. Bachelder, H. Edmonds, and H. Buckleton.

MINUTES OF EVIDENCE.

DARGAVILLE, 18TH JANUARY, 1893.

Thomas Somers: I have not worked on Mitchelson's Lease since 1894. I have been gum-digging in the Maunganui Swamp for the last two years, and I must state that the conditions under which I work there are perfectly fair. I pay 2s. a week royalty to dig gum, with perfect freedom to buy stores, and I also get a fair price for the gum. Mr. John Owen is the owner of the land I work on, and Mr. N. N. Downey is the agent. There are about ten British diggers on this lease and twenty-five Dalmatians, and all work under the same conditions on Owen's land. Mr. Owen has no connection with any of the stores from whence the diggers derive their supplies. We feel the competition of the Austrians very severely even at Owen's land. They come in large numbers temporarily, and exhaust the gum, and the British diggers, many of whom have taken Crown land, have practically no resources left to meet their liabilities or work the land. The working of the fields by the Austrians is different from that of the Britisher. If a British gum-digger discovers gum the ground for a certain radius around that spot is considered to be his, and no other gum-digger works there. If an Austrian finds gum, a large number of his countrymen crowd around him and work that gum. As far as I know, every man works for himself, and not as a co-operative party together. Some of the Austrians live well, and a great number the reverse, and any storekeepers in giving evidence are sure to quote the former. The Austrians are increasing in numbers. To the best of my belief, within the last six months three hundred have arrived in the colony, and are scattered over the gumfields, of which thirty came to the Wairoa. At the present time there are fewer Austrians in this district than in 1893. The Austrians found the conditions rather severe in the Wairoa, and so have left for the northern fields, principally Mangonui and the Marsden and Whangarei Counties. None of the Austrians have their wives living with them. The Austrians came *via* Sydney. I do not know whether they arrive under contract. There is such a belief among the gum-diggers. Our greatest trouble is the alien invasion. I have heard some twelve months ago of their being too much in the hands of the lessees of the private gumfields. The reason why I do not hear these complaints now is because I am working on Mr. Owen's land, where the diggers are under more favourable conditions. There are great complaints about defective weights and measures used by the storekeepers in buying gum, and it is urged that a frequent inspection of these should be taken in hand by the Government. I know of a case in which a gum-digger was paid for 7 lb. of gum less in every hundredweight of gum he disposed of. The fees for gum-licenses are at present not collected, nor have they been for years past. They are supposed to be collected, but the County Councils and other local bodies find it too difficult and expensive to collect. The roads suffer very much through the gum-traffic, so I consider some contribution should be paid by the digger. The gum-diggers are not averse to the collection of gum-license fees, so long as they can get some protection to the industry. If the Crown would give gum-diggers facilities for the acquiring of small areas of Crown land wherever available it would probably result in the diggers settling more permanently on the gumfields. I think it would be judicious to make provision for old diggers, the number of whom is very greatly increasing in the fields now; and certain blocks of gum-land should be reserved for them specially. These might be put in charge of the County Council, whose duty it would be to see that no gum-diggers under a certain age—say, fifty or sixty years—should be allowed to work it. It would be of interest to the local body, since without such provision numbers of elderly men would soon be thrown on the county resources for charitable aid. It has been published in a local paper that Austrians have already come on the Hobson County for hospital fees. The price of gum is not going down at present. Large numbers of Maoris are gum-digging now; they get their stores principally from Europeans. The ordinary gum-digger, if he saw a fair chance of settling down, would do so if the land was adjacent to a gumfield; but the Austrians seldom take advantage of settling on land near gumfields. It is injurious to the Crown settlers adjacent and to intending Crown settlers that the surface of the ground should be broken up in such a systematic way as is done by the Austrians in the winning of gum. I consider the license form (marked A) submitted to me as being fairly representative of the license issued some years ago; and licenses of nearly similar tenor are in existence now, and are issued to the diggers on the Flax Lease. I am not in favour of an export duty, as it would be borne by the digger. I think a gum-digger should have a digger's license issued to him, under the same lines as a miner's right. I would like to see a three years' residential qualification before anybody could be the holder of a license to dig gum. There is a difficulty in connection with the collection of license-fees over Crown gum-fields, but it might be met by authorising Postmasters to issue the licenses. If I, as a settler, had some crops to sell to diggers on adjacent leased fields I would not be able to dispose of it to them. If the diggers were inclined to buy they would be turned off the field. There have been instances of this.

The evidence given by Thomas Somers, of Dargaville, before the Gum Commission in 1893 is as follows: I am a gum-digger, and have been three years on Mitchelson's Lease. From observation of a camp of the Austrians I am sure the cost of their living is not more than 7s. a week, or thereabout. I have had no quarrel with them, and they have not interfered with us in any way. They are very hard-working and sober. I consider their presence here in large numbers would tend to deteriorate the condition of life. I can earn £3 a week at gum-digging, and it costs me 18s. or £1 to live. We should be quite willing to pay a license-fee of 10s. if granted to naturalised persons only, after two years' residence.

Ellis Rees Ellis: Having heard the evidence read over as given before the Commission in 1893, I indorse what I then said. Since then letters have passed between myself and the Labour Department with reference to the gum-diggers' grievances. There are two very great grievances—the influx of aliens and the system of trading on private gumfields. First, as to the influx of aliens, I have no objection to the Austrians personally, but we have ample of our own to produce kauri-gum. As far as I know, the Austrians are honest, and I know nothing objectionable about them. I do not think they will be settlers; their money is sent away out of the colony, and I think you can get sufficient proof of this. My opinion is that if a great number had not gone away there would be four thousand on the fields now. I believe the great majority have now gone to Mangonui. The Austrians have left the Wairoa because they have gone in search of free fields (Government Crown lands), where the conditions are free to trade as they choose. The Austrians find the conditions as irksome as the Britishers do. I think the owners of private fields encourage the Austrians because they can buy their gum cheaper, as they are ignorant of the value of the commodity. It is still my opinion that the Inspector of Weights and Measures should go all through the gumfields. I have had instances of defective weights and measures. I was gum-digging at a certain place, and I had occasion to suspect that my gum was not weighed correctly, and it was found that the steelyards were 10 lb. wrong in a sack of gum averaging $1\frac{1}{2}$ cwt., which would mean 7 lb. in a hundredweight. It is three years and a half since the Inspector went round, and that was on the occasion when Sergeant Black laid informations against thirty storekeepers, and a number were convicted. The storekeepers generally get wind of the Inspector's visits. The storekeepers should be compelled to take their steelyards and weights to the Inspector of Weights and Measures for the district; then they would be adjusted periodically, and every weight stamped with the date on it when last adjusted. It was the practice in the Old Country to take the scales to the Inspector, and have them adjusted once every three months. It is my opinion that the export duty would have to be paid by the gum-digger. Seventy-five per cent. of the diggers would approve of having to pay a license-fee if protection was granted to them. The protection should be that the license should be granted to native or naturalised British subjects only, and that a residential qualification of at least twelve months should be insisted upon in connection with others, but not to apply to those already on the field. The license should be issued by the Postmasters or Government officers, and any person found misleading in applying for a license should be liable to a penalty. The diggers still suffer a great deal under the system of receiving truck or goods in payment for gum. There are places where the diggers get cash for gum, but have to hand the money back for their accounts. They have got to take the stores at the storekeeper's price. It would be far better if the lessee of the land would charge a rent to the digger for so much per quarter for the right to dig, leaving him free to get his goods or sell his gum where he chose. There is the difficulty of right of private property in this. I consider when once a man has begun to make agreements with the public in regard to his land it is to some extent not as private but as ordinary leasehold or freehold land. I think it would be impracticable for the proprietor of a gumfield to charge royalty, as it would be very difficult for him to keep watch on the different parties of men, and see how much gum would be produced under free conditions, but a direct charge would be much better. Most of the private owners of fields prevent any settler selling direct to the gum-digger; they would have to sell direct to the storekeeper. I could never sheet home the fact that the Austrians came out under contract. It would simply be a contract of good faith. I have nothing objectionable to say against the personal character of the Austrians. The platform of 1893 is given below, and was adopted by the Gum-diggers' Union at a meeting held at Opanake in September, 1896: "(1.) No export duty on kauri-gum. (2.) All Crown gum-lands to be reserved for gum-digging purposes. (3.) The production of kauri-gum to be restricted to British subjects only. (4.) The only legal charge to gum-diggers for digging on lands, private or otherwise, to be royalty, leaving the diggers to buy and sell where they choose. (5.) First-class land adjacent to gumfields to be first roaded, and then thrown open for selection, so as to give gum-diggers and others an opportunity to make homes for themselves. (6.) The Government to take over and maintain all main trunk roads in the North. (7.) State ownership of all gum-lands. (8.) Compulsory Arbitration and Conciliation Act." I still consider these as being the object of the main body of the gum-diggers. We were paying on the fields from 4d. to 6d. per pound for onions, whereas settlers were prepared to sell them at $1\frac{1}{2}$ d., but had not an opportunity of doing so, because the gum-diggers on private lands would not run the risk of being expelled if they purchased from others than the proprietors. A similar case occurred in connection with the raising of potatoes by settlers; they were ready to sell for 6s. a hundredweight, whereas the proprietors or storekeepers charged 12s. a hundredweight, which the diggers on these lands had to pay. The fees collected from the gum-diggers should go to the public fund, and not to the local bodies. The local bodies already receive rates for the lands from the proprietors. I think it would be a good idea if a gum-digger had to produce a license before he was allowed to enter into transactions for the sale of his gum. There is not one storekeeper in fifty who will advance an outfit to a stranger. An instance of the different prices of gum in different districts is that of a man who took gum to Maropiu, and Rawnsley's packer bought the gum there, and packed it through to Poroti, and thence carted it to Whangarei, and with all this was able to pay from 8s. to 10s. a hundredweight more than buyers in the locality. This shows the way that the men are imposed on when forced to sell to owners of private fields. The freight is £1 7s. 6d. per ton, railway and steamer, from Dargaville to Auckland; 1s. 6d. a hundredweight is charged on the fields to pack to the stores; and about 1s. 6d. for freight from Dargaville to Auckland: total, 3s.; so that any difference between 3s. and the deduction made by buyers on the field represents their profit. There is a great difference between what diggers call "ordinary gum" and what is "ordinary gum" in the Auckland market. "Fair ordinary" is the gum with the best of it picked out in the Auckland market, and up here it is all unpicked, called "fair average." They are hooking gum in the soft swamps over 20 ft. deep. As showing another instance of the storekeepers' practice, I know of a case of a man

dealing with a store for four years, and leaving his account all settled up, upon removal to another place was refused credit at a store belonging to the same storekeeper.

The following is the evidence given by Ellis Rees Ellis before the Gum Commission in 1893: I am a gum-digger on Harding's Lease. I wish to state that the general feeling of the diggers is against the proposal that any gum-lands of the Crown should be open for selection or sale, but that it should be kept for gum-digging. Men are digging now on the sections that have been withheld from sale. I think there is plenty of good land with gumfields adjacent in the country north of Auckland which might be opened for settlement. The diggers would have to pay more in royalty or license-fees the more land is closed to them by passing into private hands. I have been digger and bushman off and on for sixteen years. I am married, and should be very glad to settle on a piece of land if I could. I earn about £2 a week at gum-digging. I do not think it would be fair to other diggers for me to be allowed to take up 50 or 60 acres of gum-land. I believe ten out of twenty diggers would be glad to take up land and settle if facilities to do so were offered them. I do not know any gum-ground that I could pronounce to be worked out. It does not follow that ground is worked out because it is abandoned. A good deal of such ground is resorted to again by persons who have nothing better to turn to, and ground of that sort would be kept for gum-digging until the pressure of population makes it necessary to take up such land for settlement. The general opinion of the diggers is that an export duty will fall on them, and therefore they object to it. It seems to me analogous to the case of kauri timber, on which it was some time ago proposed to put a duty in bulk under the belief that the people in Victoria could not do without it, a belief which the event has proved to be mistaken. We are apprehensive that it may in like manner be proved that the consumer of kauri-gum can manage to dispense with it if an export duty is put on it. Moreover, the gold duty was really paid by the digger.

MAUNGANUI BLUFF, 19TH JANUARY, 1898.

William Reynolds: I am a gum-digger and settler on 543 acres, Sections 17 and 17A, Wai-poua Survey District, purchased from Mr. Owen at 13s. an acre, part fern and part mixed bush. I have a partner in the land. I depend upon gum-digging to cultivate the land. I have been digging about sixteen years, principally in the Wairoa and in this district. I have been on Mitchelson's Lease. I was not satisfied with the way things were worked, and I left eight or nine years ago. Since then I have worked on the free fields, where I have paid a royalty, and have been satisfied with the results. I was dissatisfied while working at Mitchelson's Lease, because I did not think I obtained a fair price for the gum, and I paid too high a price for the stores. I believe I could have obtained £1 or £1 10s. per hundredweight more for the gum if I had been at liberty to sell it at any free store on the Wairoa. I quote one instance, which shows that too low a price was paid, or attempted to be paid, and it was this: The price of the gum was £1 14s., and instructions were sent up to reduce it by 7s. A number of us immediately left, whereupon the reduction was only effected to the extent of 2s. For the same sort of gum which we dig at Tutamoe we obtained from a storekeeper of the name of Brown £1 16s. a hundredweight, although it had to be brought twice the distance to the market. I think the matter complained of can only be remedied by passing a law which makes it incumbent on owners or leaseholders to charge a royalty only, leaving the digger free to dispose of his gum and to obtain his provisions wherever he likes. The gum on Crown lands and private lands is getting scarcer, and if it was not for the increased price paid now it would not be profitable employment for any gum-digger. Personally, I know of good payable gumfields only on some of the leaseholds now held by Mr. Mitchelson. I was working in the Opanake Forest for years. I was digging ground-gum, which must have been the product of former forests which have been destroyed by fire, or otherwise disappeared. This gum is of a superior description. The system that obtained at Mitchelson's was this: The digger would bring in his gum; the value would be fixed by the storekeeper; then the amount due for provisions, tools, &c., was deducted from that value, and the balance paid over either in cash or by cheque. We were never asked to leave the balance due to us in the hands of the storekeeper. At Mr. Harding's lease the gum business was worked in a different way from Mr. Mitchelson's. He charged a royalty of £1 per quarter, and the digger was permitted to obtain his provisions, tools, &c., wherever he liked, and sell his gum where he liked; but Mr. Harding reserved to himself the sole right of supplying meat and of doing all the carting necessary to bring the gum to the stores. For a distance of seven miles his charge was 1s. 6d. per hundredweight; for more than seven miles, 2s. He allowed the storekeepers to cart out provisions to the gum-diggers. I think it would be judicious, and for the good of the community, if the Government were to acquire all the private gumfields for gum-digging and for settlement. The Flax Lease, in the Kaihu Valley, held by Mitchelson Brothers, contains a large quantity of land very suitable for settlement purposes. I believe there is a difficulty in collecting license-fees, owing to diggers removing from one place to another, and if the Ranger was empowered to arrest the man on the spot when unable to produce his gum-license that state of affairs would probably soon come to an end. The diggers would much prefer to pay a yearly license-fee and have the right to dig wherever they wished. An export duty would be more equal than a license-fee, as it would touch all the gum obtained from freehold and private leaseholds, and I would have no objection to an export duty being imposed, provided that every penny so collected is expended on the construction and metalling of roads within the gum-fields. We gum-diggers in this district are of opinion that Owen's Swamp should be acquired by Government, and assistance given in cutting one main drain through it. It would be a field for years to settlers about Maunganui Bluff to earn a few pounds during the summer time. Petitions to this effect have already been forwarded to Government. Regarding the Austrians, I have no fault to find with them as men; they are well-behaved and respectable; but we object to them because they are birds of passage, coming here to make a few hundred pounds out of gum, and then going

home to their own country. They are of no benefit to New Zealand, but simply help to impoverish it. I have spoken to one of them about this, and he confessed that his object was to get £300 together, and then go Home, where he could live upon it as well as a man with £3,000 could live in New Zealand. I think they should be licensed to dig on gumfields only after they have lived two years in the country. The presence of the Austrians, as far as I know, is accounted for by a few of their countrymen doing well on the gumfields, and recommending others to come to New Zealand. This has been spreading for years, and now it appears that there are about fifteen hundred in the country.

Alexander McCullough: I am a gum-digger of ten years' standing. I am the holder of a lease in perpetuity (No. 7, Waipoua Survey District) containing 300 acres. I am a married man, with two children. I have been two years on the section. I hope to improve my section by my earnings on the gumfields. I have heard the evidence given by Mr. W. Reynolds, the previous witness, and I generally agree with the opinions expressed therein. Gum-lands should not be disposed of for gum-digging purposes; but cultivable gum-lands might be granted to intending settlers if there is reasonable ground for believing that the land is no longer sufficiently rich for gum-digging. In the grant or lease of gum-lands a provision should be made that any gum-digger has the right to dig thereon for gum if the lessee himself is obtaining gum therefrom, except in the ordinary course of clearing and cultivation.

Bold Btomeh: I come from Pellissa, in Dalmatia, Austria. I have been five years in the colony, and am twenty-three years of age. My father is a farmer. I am the occupier of an occupation-with-right-of-purchase section—No. 30, Block I., Maungaru Survey District. A number of my countrymen were in New Zealand before me, and from them I heard about it, and so decided to come myself. Some of them get money from their brothers and relations in the colony, and some paid their own passage to New Zealand. I sent for my own brother three years ago, and he is still about the Wairoa gum-digging. Some of my countrymen do not make money at gum-digging, and so go Home; and others make £2 a week.

Witness, who was supposed to act as interpreter for his countrymen, has, on examination, been proved to be so little conversant with the English language as to make it necessary to abandon the idea of examining any witnesses through his interpretation. Examination therefore postponed until suitable interpreter can be found.

DARGAVILLE, 21ST JANUARY, 1898.

Horace Hammond: I am Clerk and Engineer of the Hobson County Council. In 1894 we sold 142 licenses, at 5s. each. In 1895 we only sold thirty-four; and in 1896 we only sold thirty. Total, 206 licenses in three years. We appointed a Ranger, and gave him 1s. 6d. commission for every license he sold. Our first Ranger was Mr. J. B. Pullham, and then we had John Perry about the middle of 1895, and he has had it ever since, and he does his best to collect the license. There are one or two camps of Austrians, and they declined to take out licenses, and they refused to give their names. The local policeman was away at the time, and we could do nothing. The constable is to come down and see about it. There is a great difficulty in collecting the license-fees. We give our Ranger 1s. 6d. commission out of each license, and he only collected thirty license-fees. These thirty bear no proportion to the number working on the field. I do not know how many diggers there are in this district. My idea is the time has gone by to worry much about collecting the license on the gumfields; it would have been different ten or fifteen years ago. The gumfields should have been put on the same footing as the goldfields. The diggers are getting four times as much now in price as they were getting twenty years ago, and that is the reason why the industry keeps up. There are fewer diggers at work now in this district. The main reason is that they are working at other industries, mainly the timber. We have often great difficulty in getting able-bodied men for roadwork. Two of our surfacemen, getting £2 5s. a week in regular work, left us at different times. One has come back. Times are very prosperous here just now, and so there are not so many gum-diggers; but if the timber industry failed they would have to go back to digging. I do not know much about the Austrians. The storekeepers are satisfied with them. If a man will take up a piece of Crown land, even if only poor gum-land, and settle upon it, it is far better to let him have it to live on than leave it open for the roving population. It would not lead to a monopoly if the area was not too large. If the conditions of improvements were enforced by the Board it would not pay them to throw up the section. In our district we have a number of settlers who have taken up land, and if it had not been for the gum they could not have existed. There are isolated cases where men throw up their sections, but 90 per cent. stop on them. Cases have arisen where gum-lands were taken ostensibly for settlement, and were afterwards worked for gum. These cases are rare, and the remedy appears to me to be not to allow any applicant to take up more than 200 acres on gumfields. Our county has always advocated the selling of the gum-lands.

William Fitzpatrick: I am a gum-digger. [The evidence given by him at previous Commission was read over, and the witness was asked if he wanted to amend anything in it.] He said,—I do not wish it to be understood that I give full approval to the system holding on Harding's Lease, as it is not free trade. If you sold on the field you had to sell to a storekeeper, who paid Mr. Harding for right to purchase gum on the lease. The diggers' desire is free trade—that is, to buy and sell in the best markets. Messrs. Brown and Campbell and Mr. Mariner, both paid a royalty or fee to Mr. Harding for the right of dealing on the field exclusively. I am not aware that the Government have taken any steps in the matter of issuing licenses. The diggers considered when they paid a license-fee to the local bodies that they should have a vote in county elections. I do not think there would be any difficulty in arranging for either the transfer of votes or voting in the districts where licenses were obtained. I think the reason why the diggers have

not paid their license-fees is that they are dissatisfied. They have no voice in local affairs, and have only the vote under manhood suffrage. There are a great many diggers becoming a tax on charitable aid. Several of us have thought that if a portion of these fees was put by as a fund to meet these cases it would relieve the county. The average earnings of a thoroughly able-bodied man I consider to be £1 4s. or £1 5s. a week, but the general average would be much lower, as many of them are aged and infirm. Gum is becoming scarcer, and men are working longer hours; they work from daylight to dark at the different branches of their work. I know of a few men who are engaged hooking gum in the swamps who are averaging from £3 to £4, but are exceptionally good men, and working sixteen hours a day, and these are not to be considered the average any more than the aged and infirm, who are only getting 20 lb. of gum a week. They are working at the dry parts of the swamps just now. I am quite positive that there are now five Austrians to every one on the fields in 1893, and the British digger has decreased proportionately. I have nothing against the Austrians personally, but their industry and energy does not benefit this colony at all. It benefits Austria. If they settled here the matter would be very different. In speaking to a considerable number of them I have never heard one say he was going to settle in the colony. I have made it a special object on my part to find out what their intentions are as to settling in the colony. The settlers are suffering from these Austrians, as there is not half the sale of their produce to the Austrian digger as there is to the Britisher. I think a license should be annually issued to British subjects and to foreigners that have been twelve months in the colony, signing a declaration to that effect with the usual penalties, and that it should be illegal for storekeepers to buy gum from diggers except on the production of the annual license. I think it would benefit the gum-digger by steadying the output of gum, and be as fair for the private leaseholder as for the Government in regard to its gum-lands. I think, also, that all the persons engaged in this industry would benefit by this. Previous to last Commission there were a number of young men on the field who intended to settle on the land if they could earn enough to give them a start. Government would be justified in reserving gum-land for settlers that have taken up land in the vicinity. Good land, as a rule, contains no gum. I do not believe in the disposal of gum-land in any shape or form. I have no personal experience of the truck system. I should very much like to know what amount of money is annually sent away to Austria from this country through the Post Office or banks, as it would give the information. I think, at the lowest estimate, on an average, the Austrian digger saves 10s. a week, which is sent to Austria. If these men were engaged on bushfelling or reproductive work, on wages, and then left the colony with their savings, we would have something to show as the result of their labour while in the colony, but as it is there is nothing to show for it; the gum is gone, and the money and the men with it; and the land is ruined. The diggers were thoroughly disheartened, after waiting for four or five years, finding that no remedy whatever has been applied by Government to do away with the many substantial complaints constantly brought under their notice. Many of our most active men of the union gave up agitating any further, and I feel convinced if such a state of things had existed in any of the southern districts a remedy would have been devised long ago.

The evidence of William Fitzpatrick, of Dargaville, given before the Gum Commission in 1893, is as follows: I am a gum-digger on Mr. Harding's Aoroa Block. I have been deputed to come before the Commission by a public meeting of gum-diggers held two or three weeks ago at Burns's Camp on the same block. The first point has reference to the alien question. A resolution was passed at the meeting that it was very unfair to the permanent diggers, who are colonists and intending to remain here, that the gum should be dug and the money taken out of the country by a crowd of aliens. It was proposed by way of remedy that every person digging gum should obtain a license to do so, whether on public or private lands, and that the persons entitled should be British-born subjects, or persons naturalised only after two years' residence in the country. It was generally thought that 10s. per annum would be a sufficient fee for the license. There was also a resolution passed condemning what is called on the gumfields the "truck system"—*i.e.*, when the digger is obliged to deal with a particular store, and gets for his gum just what the storekeeper chooses to pay him for it. The diggers think the right system is to pay a royalty, as on Mr. Harding's land, and let the digger take his gum where he likes. I am married, and would like to earn enough to settle on the land; and there are many others who wish the same. To do this will be difficult or impossible, now the gum is getting scarce, if more than a certain number of men come on the field. I am a native of New Zealand. I do not think the Austrians mean to settle, but some might do so if the license system were put in force. I believe they are honest and industrious. I consider the average earnings of the diggers, taking the year through, are not more than £1 4s. or £1 5s. per week. The very high earnings are mostly got by men of unusual strength and endurance, who can work in difficult or wet ground. I think the earnings here are a little better than those nearer Auckland. The average number of hours worked on the ground might be seven, besides several more for scraping the gum and cooking. I think the general opinion of the diggers is against an export duty, and they think the license system would meet the case. Their grievance is the influx of foreigners. The gum is now much more difficult to get, and a man who has been here fourteen years tells me it is now as hard to get 10 lb. as it was to get $\frac{1}{2}$ cwt. ten years ago. There are many aged persons who now just make a living on the gumfields, whereas most of the foreigners who come are able-bodied men. I am told by those who have been here longer than myself that the number of foreigners is increasing every year, and I notice that there are more than there were two years ago. There may have been thirty or forty men at our meeting, but many of them were sent as representatives of different localities. The meeting may have represented a hundred men. There is no ill-feeling against the foreigners, and they have not been molested or insulted in any way. [The diggers present were asked if they assented generally to what this witness had said, and it was stated that they did so. One man considered Mr. Fitzpatrick's estimate of wages too high.]

Robert Griffen: I am a gum-digger on Mitchelson's Lease. I produce my pass-book (Mitchelson's store), and the following are some of the prices charged therein: Sugar, 4d. per pound, as against 3d. per pound elsewhere; coffee, 2s. per pound; tea, 3s. per pound, as against 2s. per pound elsewhere; potatoes, 12s. per hundredweight, as against 8s. per hundredweight elsewhere; a billy, charged 2s. 6d., as against 1s. 3d. elsewhere. When we come in with our gum to Mitchelson Brothers' store, on the field, the man in charge says, "Here is so much a hundredweight for your gum," and that you have got to take. If we owe anything for stores that is deducted, and the balance handed over to us. The market price for rescraped gum in the papers was £5 10s. and upwards, but we received £4 2s. 6d., and subsequently only £3 12s. 6d., after deducting 1s. 6d. for carriage. There was a difference of from 10s. to 12s. per hundredweight between prices we received and the prices quoted in the local market. The agreement that we dig gum on Mitchelson's Lease we signed, but have no copy. The agreement is not stamped.

John Brown: I am a gum-digger on Mitchelson's Lease. The stores I get from the store are weighed in my own spring-balance, and they are correct, making a fair allowance for wrappings, &c. I weighed 6 cwt. of my gum, and it was 10 lb. short, allowing a pound for the bag. I told him that the scales were wrong. He screwed a nut up at the back of the scales, which made a difference of 6 lb. in the 6 cwt. We feel sure we will have to leave working gum at Mitchelson's Lease after giving this evidence. The Austrians average fifteen to one Britisher on this lease. The Austrians suffer to the same extent, if not more, than the Britisher from this truck system. If any of us working on this lease buy stores or sell gum to any one else except at the store on the field we get twenty-four hours' notice, even if dealing with Mitchelson's store in Dargaville, where things are cheaper. We are permitted to buy butchers' meat outside of the stores. About two years ago an elderly gum-digger, by name John Palmer, made a little garden near his place on the lease, about a chain by half a chain, and he was selling some onions to the diggers at 2d. per pound. He was ordered off, the price of onions being from 3d. to 4d. at the store; but he was allowed to remain on the understanding that he only sold his produce to the store. This old man averaged about 5s. a week at gum-digging. The cost of living on the lease, including tobacco, ranges from 18s. 6d. to £1 a week.

Herbert Basil Cox: I am a market-gardener at Ahikiwi, and sell to any one, generally to the storekeepers. This year I have not sold any produce to gum-diggers on Mitchelson's Lease. I might have sold some potatoes. I get 1½d. for onions from the storekeepers now. I have sold them two years ago at 1d. to Brown and Campbell. I was not aware that the diggers on Mitchelson's Lease were prohibited from dealing with me, but I often wondered why they did not purchase some of my produce. I have not done any gum-digging myself for four years. I sent down a ton of potatoes last week to Brown and Campbell, at 7s. 6d. a hundredweight.

John Goodall: I am a gum-digger on Mitchelson's Lease. I sold gum eight days before Christmas at Flax-mill Store, Mitchelson's Lease, and I weighed my gum. I went on the scales myself, and registered 10 st. I said, "Your scales are wrong," and the storekeeper told me to fetch the policeman up. Then I went up to the store about 2 chains away and weighed myself again, and registered 10 st. 5 lb. (both Mitchelson Brothers' scales). I went to Trounson's scales (butcher), and weighed 10 st. 7 lb. Mr. Flavell, here present, was a witness to these different weighings.

Charles Flavell: I am a gum-digger on Mitchelson's Lease, and was present when John Goodall weighed himself in Mitchelson's stores. It did not take ten minutes to go through the different weighings.

Jacob Radatich: I am from Croatia, in Austria. I am a settler in the Marlborough Settlement. I have 150 acres of land under lease in perpetuity. I landed in Australia in 1891, and went to the mines at Broken Hill. I came to New Zealand in 1893. I was digging gum at Babylon. I heard from some of my countrymen and others that they were making good wages at gum-digging, and that is the reason why I went to Babylon. I paid my own passage from Australia to New Zealand. When I went to Babylon I made inquiries as to the best place to dig gum, and asked about the men who were there, and I found an old school-mate of mine in one of the camps, so I went across to him. I then returned to the store, and ordered some goods. I asked the storekeeper should I pay him at once, and he said it would do at the end of the month. He made no charge for rent for my digging, nor royalty; nothing was said on the subject. I dug for two months there, and from Babylon I went to another part of the lease. Subsequently I was one of a party of twenty-two Austrians who tried to drain Johnson's Swamp. This did not prove a profitable job, and I thereupon gave up gum-digging, and ultimately settled in the Marlborough Settlement. My opinion is that many from Austria came here simply through reports and advice from their own relations and friends. They would hear at Home about their doing well, and hence come out to try their luck. I have not heard of any Austrians coming under contract to Mitchelson or any other storekeepers. It is not true. I have heard grumbings amongst the Austrians that the prices paid for gum was too low. I never heard that Mitchelson gave short weight, as nearly every one of the Austrians has a scale of his own. The prices of the goods supplied were just as cheap as anywhere else. It cost me to live when I was gum-digging 15s. a week. While digging on the swamp, with the twenty-two of us, we lived as well as, or better than, the British gum-digger, as our bills would prove. We had beef, fowls, &c., and I am sure it costs us never less than 15s. a week. Every week we got 130 lb. of beef. Every three weeks or fortnight we got a pig, and cured it ourselves. In the summer time our earnings averaged £1 or £2 or £3 a week. In the winter time it took us all our time to make £1 a week in the best of fields. The way we work the fields is on the face, and we put everything through. Those that jump about from place to place very seldom make much at it. Sometimes when we are on Johnson's Swamp we dig a face 5 ft., 6 ft., or even 18 ft. deep if a log leads the gum down. We took it in three lifts. We were working on the co-operative

system. We got our tucker the same way. We had two men acting as cooks, and whatever was made in the swamp was divided between us, cooks and all. I have heard the evidence of the following Austrians read over to me, which was taken by the previous Commissioners in 1893, and believe that they are correct, and I agree with their statements:—

“Luka Jurmovich: I am an Austrian, from Dalmatia, near Ragusa. I have been in New Zealand eight years on a previous occasion, and was then some years in Australia. I have been only in New Zealand three months now. I am now gum-digging on Mitchelson's ground. In my own country olives and a little wine and wheat is produced. I speak of my own immediate neighbourhood. The people generally pay one-fourth of their produce for rent. That is what they did sixteen years ago. The wages were about 1s. 10d. a day and ‘tucker’ on farms. In town it was about 2s. and find themselves. At gum-digging I earn nearly £2 a week, and it costs me about 16s. to live, including tobacco. I believe some of my countrymen would like to settle in the colony if they had money, but the land here is not good when the gum is out of it. I know of two or three who have their wives with them. I believe those who have come here have come quite voluntarily, and some sold their property to come.”

“Peter Covecic: I am an Austrian, from Dalmatia. This is the second time I have been in New Zealand. The first time was in 1885, when I was thirteen months in the colony, engaged in gum-digging. I came direct from Home to New Zealand. I afterwards went to Australia, and came here twelve months ago. I keep a store at Tikonui, and do some gum-digging as well. I am a single man. I cannot earn more than 18s. to £1 3s. a week at gum-digging. In the summer it is better. At Home I was a stonemason, at which I could earn 3s. a day and ‘tucker.’ For digging on a farm a man would get 1s. 10d. or 2s. a day and ‘tucker.’ It costs 5s. a week for board. Here it costs 12s. or 13s. for food. The work at Home is not constant, and the people often have very hard times in winter, which is often very severe. My countrymen in the colony consist of seafaring men, fishermen, and vine- and olive-cultivators. Some have small holdings from $\frac{1}{2}$ acre to 3 acres, and some from 5 to 50 acres. They have all to do three years of military service. I think a good many of the young unmarried men would like to settle in the colony if they had a little money, but it is not easy to settle in this colony. I believe the success of some at a sweep had a good deal to do with the arrival of the last batch of Austrians a few months ago. The people were induced by seeing so much money brought Home. There is no truth in the statement that a large number is coming out. I know that by my Home papers, which say nothing of such a movement. It is only the colonial papers that say so. I only know about 315 to 320 Austrians in the Wairoa district. I think that is nearly all there are. I have taken some trouble to ascertain.”

“Giovani Bradicic: I come from Istria, close to Trieste. I left home in 1888, and came to Victoria. I came to New Zealand about eight months ago, and am now gum-digging on Harding's ground. I was a sailor from eleven years old, and did one year's service in the army. The people in my country cultivate vines, olives, and fruits. I do not think the soil here in the gumfields is good enough for olives. I make £2 a week at gum-digging, and it costs me 10s. or 12s. for provisions. I do not intend to return Home. I have not been molested in any way by the British. I hope to make a little money and settle somewhere. Where I come from the people mostly live on their own holdings, which are from 10 to 100 acres.”

“Antonio Gasparich: I am from Trieste, and am of the Italian race. I came to New Zealand fourteen years ago, and have been in this district almost ever since. I left home at thirteen. I have dug gum for two years, and have been employed by Mitchelson Brothers in various ways. I am now gum-digging. I am married. I have barely made ‘tucker’ lately at the digging. The weather has been very bad for it. I have not fallen in much with the Austrians. When packing provisions to them they appeared to me to take a fair amount of stores, as well as others.”

Many of my countrymen cannot be expected to settle here because they are married men, with five or six children, and to bring a family out here would cost about £200, and sending £200 Home would be enough to keep them for five or six years. If some of my countrymen could get good land offered to them by the Government, such as that at Kaihu Valley, they would jump at the chance of bringing their families out here. I think it would be a very good idea if pamphlets explaining the land-laws in the Dalmatian dialect were circulated amongst my countrymen, as it would lead to a good many settling on the land. They can all read and write. Many of those who had one child or so would settle here. If the same opportunity had been given to my countrymen as was given to the Maungatu settlers they would have made a better job of it. None would have left the place, and, as for myself, I am sure that if an Englishman had been on my section and without a road he would not have stayed on it up to the present. As regards the savings of my countrymen, taking good and poor workers together, I think they can lay by at least £1 a week, which in the case of those who did not remain in the colony is sent Home to their friends.

Peter Skakandich, Nicolas Skakandich, Nicolas Matutavii, and John Bilush: Jacob Radatich was sworn in as interpreter, and said,—Three of them are labourers and one a stonemason. They could not make a living at Home, and came to New Zealand, where they could. They saw the condition of the market in New Zealand through the labour papers in their own country. They came here two years ago. They worked first on the Melbourne Lease, and now on Mitchelson's flax-swamp. When they started on Melbourne Lease they were charged no royalty. Three of them got three sacks of gum in two months, for which they (storekeeper) gave them “tucker,” and they had to pay £3 extra to square the account. When they came to Mitchelson's Lease sometimes they were making 10s., 15s., and £1, and sometimes only “tucker.” They were satisfied with the price they got for their gum. As regards the price of provisions, they were rather higher than if they were working on Government gum-lands and could buy their stores where they liked. They cannot read the prices of gum in the papers, and they do not know what the market price is. They had a 30 lb. spring-balance to weigh their gum with. They never found a difference between their

own and the storekeepers' weighings. Three of them were married, and one single. Their families were at Home. If they had the money to bring their families out they would settle here. Peter and Nicolas Skakandich (brothers) have fourteen people dependent on them, counting their parents and sisters. It would take about £400 to bring them out. It is the custom in Dalmatia to divide the land equally between all the children on the death of the parents. Thus the land is cut up into very small sections. They were at present draining a swamp on Flax-mill Lease (Mitchelson's). The men added: we have each of us spent £20 of our own money, and are in debt to the storekeeper to the extent of about £10 each. This debt was incurred during the last six months, and if we find good gum we will be well paid for it, but if there is no gum in the swamp we have been doing all this work for nothing. Up to the present we have cut about three miles of drains, and found very little gum. If the swamp is a failure we will have to dig gum somewhere else to pay for the "tucker." We will pay off the storekeeper. During the last twelve months close on a hundred more Austrians have left than have arrived in the colony. Fifty of them went Home to Austria. A few of them could not make money enough to take them Home, and had to borrow money from their friends to enable them to do so. They do not know anything about the New Zealand land-laws, or how the land is taken up for settlement. There are nineteen of us working in the swamp.

HARDING'S LEASE, DARGAVILLE, 22ND JANUARY, 1898.

Antonio Falconetti: I am an Austrian, and come from Istria. I was a sailor, and came here because my brother thought I would do better than remaining at sea. I paid my own passage. I have been at Parengarenga, digging on Yates's land and on Maori land. The conditions that obtain there are practically the same as those on Mitchelson's leasehold. The gum must be sold to him, and all provisions obtained from him. A fair price was given for the gum, but the stores were dear. There was no rent or royalty; the profit was made on the stores. I have never known them give short weight. I had my own scales. I left Parengarenga to join the party here to drain and work Harding's Swamp. Our agreement with Mr. Harding is to this effect: We pay him only half royalty—that is, 5s. per quarter per man instead of 10s., which the other gum-diggers pay who work on any other part of the lease; in return for this concession he will have his swamp drained. Mr. Harding does the carting at 1s. 3d. per hundredweight. We are free to deal with any storekeeper or butcher, but as a rule we get our meat from Mr. Harding. Under the agreement we have the right to dig gum in this swamp for ten years. The swamp is divided into five sections, and the sections must be worked in succession—that is, the first one within two years, the second within four years, the third within six years, the fourth within eight years, and the last before the expiration of the ten years. We are working the swamp on the co-operative principle. There are twelve married men and eight single men in our party. I have not completed my military service, as I went away as a boy to be a sailor. If I went back to Austria I should not receive any punishment for not having completed my military service, but I might have to serve my three years. Since I took to gum-digging I do not think I have averaged 10s. above my "tucker," but when steadily at work I may have made 15s. and over. None of us know anything about the land-laws of this country. Some of us would settle if we got good land and got a start from Government. We have no money, and so cannot buy land straight out. I consider that many of us would settle if the ordinary assistance given to other settlers was given to us—that is, paying us for bush-clearing, grass-seed, and making an allowance for the erection of a house, the cost of all of which may be added to the capital value. I think, under these conditions, many of my countrymen would settle. A great difficulty would be the bringing-out of our families; if assistance could be given many would be glad to settle in New Zealand. The translation of the land-laws into the Dalmatian language will do away with much misunderstanding, as it will be found that our people will settle as readily as others who have come to New Zealand.

Stephen Gadastephano: I come from Waldelena, north part of Italy. I am a labourer. I have been nine years in the colony, and came here through reports of my countrymen, who returned Home and told us about New Zealand. A countryman of my wife's (Swiss) had done very well here, and this was the main inducement for me to come out. I never heard of any labour being engaged by contract to work on the gumfields. I paid my own passage myself. For seven years I worked at Mitchelson's Lease. The price for "tucker" was very high, it being always the same price, but the price given for gum was low. Mitchelson's have the name of giving very much less than any other storekeepers for gum: £2 per hundredweight was the highest price I ever got for ordinary gum. I have heard grumbings amongst the men as to the weights and scales, but I had no means for testing, having only very small scales for that purpose.

John Macoich: I come from Murrana, Istria. I am a sailor. I heard in my own country from those who had been in New Zealand about the gum. I therefore came here twelve months ago. Between thirty and forty of us came together from Genoa direct to New Zealand in one of the steamers. We were met by some of our friends in Auckland, and they told us what camp in the Wairoa to go to. We first went to Tikinui and worked on Government grounds, and also on Maori land, and then on the Melbourne Lease, and then to Harding's Swamp. The conditions on Maori land are 2s. a week royalty, but then we could not make it pay.

Marcus Didovitch: I am a Dalmatian. I was a stonemason, earning 2s. 6d. a day and keep in my own country. I have been fourteen months in New Zealand. I heard from my countrymen that they were making better money here, and so I came out. Eleven others came with me, and they are scattered about the fields. I have only worked in this district.

Arthur Negerrich: I come from Istria. I am a labourer, doing navy work on the railway and in stone quarries, and I could earn from 3s. to 4s. a day, finding myself. I have been here five years. I went first to Queensland, and was there six months. It was very bad times in Australia, and so I came to New Zealand. I came here with a party of seven.

[There were eleven other Austrians present, who agreed with what the witnesses under examination had stated. They explained through their interpreter that they were very much obliged to the Commissioners for the explanation as to the possibility of taking up land, and that a good many working on the swamp would be able to avail themselves of the conditions offered.]

TE KOPURU.

John Perry: I am a fruit-gardener, residing at Totareki, and authorised collector of gum-licenses and dog-licenses in the Hobson County. I commenced the collection of gum-licenses about two years ago. During the first year—1896—I issued thirty-seven licenses, which brought in £9 5s.; in 1897 twenty-one licenses were issued, which brought in £5 5s.: total, £14 10s., out of which I received £3 8s. 6d. as commission, leaving a balance of £10 1s. 6d. for county revenue. With the exception of four men who were infirm I got all those working on Crown lands in the Hobson County. The year previous to my appointment there must have been two hundred gum-diggers, and the year before that three hundred, but when I commenced collecting the licenses a rush took place to some of the northern gumfields. I have experienced a great difficulty in collecting the licenses, and had to take promises to pay at some future time again and again. I did not proceed against them, on account of the heavy expense. Some of the diggers evade paying licenses by simply shifting from Crown lands to private lands when they see me coming along. I interviewed some Austrians some time ago. I told them it was necessary to take out a license. They said they had been digging on lands, and had never been asked for licenses, and they would make inquiries to see if I had power to collect these licenses. The policeman is coming down to help me to collect these licenses. Another way they have of evading me, when working on swampy grounds, is simply to go across to the other side through 3 ft. or 4 ft. of water, so I cannot follow except by going miles around, and even then by that time they would be across again. I do not think the license-fee is high enough. It does not pay the Council to collect it, and I think the issue of a license is the best way of collecting a tax on diggers, and it should be strictly enforced. I think an amendment should be made in the law whereby a storekeeper should demand the production of a digger's license before purchasing his gum. I have been twenty years in the Northern Wairoa, and thirty-seven years in New Zealand altogether. I have dug gum myself, and have been employed at gum-stores, and have for the last twenty years gathered a thorough knowledge of the gum industry. I was on the Flax-mill Lease seventeen years ago, and it was then said that it was worked out, but more gum has since been got from it than during any previous period, and numbers of men still earn their living there now. The Austrians are a very honest and industrious class of people, quiet, law-abiding, and very hard-working. I have been in their camps, and believe the Austrians live quite as well as the Britisher. I was employed at Mr. Moloughney's store at Tataraka three years ago, and noticed that the Austrians got like supplies with the other diggers. I have never had any reason to believe that the rumour was true that the Austrians came out under contract to any of the storekeepers, or any person in their own country. I think if the Austrians could be induced to bring their wives and families and settle they would be a most desirable class of settler. I simply object to them in the industry because they send their money away, and do not settle in the country. From my experience, south of Dargaville the prices charged by the storekeepers are generally fair and reasonable—in fact, if they were not so the gum-diggers would not deal with them. Competition is keen because the fields are free; but north of Dargaville there have been a great many complaints, and the complaints I am in a position to say have been justified. There is nothing in the shape of the truck system carried on on the gumfields south of Dargaville. The weights given in this district by the storekeepers are just, and I doubt whether the many complaints emanating from the gum-diggers are resting on any good grounds. They are a suspicious people, and I know that frequently complaints were made because their weighings of gum in small parcels on spring-balances are often not correct, and do not tally within a pound or two with the storekeeper's scales. In this district many blocks of Crown lands were withdrawn from selection simply because they were known to contain gum. I think that was a mistake. It would be far better for the district if *bonâ fide* settlers were allowed to take up these lands. The gum would assist them in the cultivation of the land, and the local bodies would be great gainers, for the revenue derived from the gum would not come up to what the local body would derive by way of rates and "thirds." The license-fees charged by the Government when compared with the charges made on private lands seem ridiculous. What between the low price paid for gum and the high price paid for provisions, together with the license-fees charged to diggers on private gum-lands, they are really sometimes paying at the rate of 8s. to 10s. a week—equal to £25 per annum—as against the paltry 5s. license-fee charged for digging on Crown lands.

DARGAVILLE.

Richard Mitchelson: The evidence read over to me, which I gave in 1893, is substantially correct. I noticed a statement given in evidence before the Commission that a man got £4 for his gum, which was 8s. or 10s. more than he could get from my store. Rawnsley, of Poroti, was the buyer. The explanation is this: that the gum must have been of a superior quality to that offered at my store. I think it a curious thing that a man from Whangarei could give a better price than competing storekeepers on the river, as the gum was taken from Government lands. The very fact of that storekeeper not purchasing gum in the Kaihu Valley again seems to prove that it was not of a profitable character. As to the statement *re* the price of potatoes, it would all depend on the time of the year as to the price paid. Gum is getting scarcer, and so the earnings are getting less, and the gum-digging must be of a more systematic character, and the old idea of spearing is gradually being abandoned. The swamps must be drained. I hand in Statements A and A1, showing total average earnings per week of two Europeans and two Austrians dealing at the Babylon store, of five men dealing at the Flax-mill store, and of three men at the Maropiu store. In regard to those dealing

at the Flax-mill store, I would point out that two of them (Flavell and Griffen), in their evidence before the Commission, complained about the high prices of the stores and the consequent high cost of living. The cash received for their gum is given for each man separately. The cost of their living is lumped with two others, and their average earnings show that Flavell earned £4 1s. per week and Griffen £4 14s. 10d. We buy in Auckland, and the cost of the goods to us in Auckland is charged to the out-stores with 10 per cent. added, and this is the way in which we fix our stores, and then the out-stores must fix their prices by making allowance for the rent and expenses connected with the lease. The 10 per cent. is to cover the freight from Auckland, and handling goods and delivering here, leaving us a small margin. It is only on wholesale handling that this pays. Goods could not be sold in Dargaville for that price, and so leave a margin to the seller, as the cost of rent of store, assistants' wages, taxes, insurance have to be considered. All our out-stores are branches of our firm, and work on wages. There is no sub-contracting and commission allowed. Mr. Trounson has the grazing rights over our gum-field leases, and it suits us better to let him supply the diggers with meat. There is no payment made by Trounson to our firm for the right of supplying meat to our gum-leases. We pack the gum for the diggers to our stores, and charge them for it according to distance. I hand in return marked B; it gives the prices we charge for provisions at the four out-stores; also the average price paid for gum off our lease-lands for twelve months at the out-stores; also the number of men employed at gum-digging on our lease-lands at the present time. They comprise 168 Austrians, seventy-five British, and forty-two Maoris: total, 285. Also the output of gum from all sources, which amounted to only 552 tons for 1897, as against 1,138 tons in 1893, when the former Gum Commission made inquiries into the industry. The average output for the last fourteen years has been 712 tons per annum. I also give a list showing the rents we pay for our leases: at present we pay £600; at the time of the last Gum Commission we paid £1,000. Our lease extends for ten years. The rental for the first year was fixed at £1,200, with a reduction of £100 for each subsequent year. The rentals for the other leases are the same as those mentioned in our statement of 1893. I also furnish the Commission with a return marked C, giving the cost of goods supplied to the stores for the two years ending the 31st December, 1897. In one of the stores men employed at kauri-timber work and settlers receive their supplies, and we cannot, therefore, without great trouble, give the statement as it applies to gum-diggers only. In regard to the drain at Long Gully and the other drain through Flax-mill Swamp, our arrangement with the gum-diggers is that they are to drain these swamps, and in return receive the sole right to the digging and the removing of the gum to the expiry of our lease in 1901. The drain at Long Gully, being dug by Austrians, a mile and a half long, consists of cross-drains: area of swamp, 1 mile long by 300 yards wide; depth of drain, 8 ft.; width at top, about 10 ft.; at bottom, about 6 ft.; number of men in party, twenty-two. The drain at Flax-mill Swamp is about a mile and a half long: area of swamp, same as Long Gully; drain, 5 ft. by 4 ft. by 2 ft., running smaller at top of the swamp. These swamps are given over to those who are draining them for the term of our lease, subject to the usual conditions, we to protect them from encroachment by other diggers not being of the party. The number of men in this party is twenty.

Extracts from the evidence given by Richard Mitchelson, of Dargaville, before the Gum Commission in 1893: "I am a settler and storekeeper at Dargaville. I am one of the firm of Mitchelson Brothers. I am sole manager of the gum business. We hold several blocks of land: Kaihu Nos. 1, 3, and 4, about 40,000 acres, of Mr. Nimmo; Kaihu No. 1A, about 2,400 acres, held of Mr. James Trounson; Kaihu No. 2, 9,800 acres, of the Natives; Opanake, 7,130 acres, of the Natives. The rent is now: Nimmo, £1,000; Trounson, £40; Kaihu No. 2, £125; Opanake, £125: total, £1,290. I have five stores on the gum-lands. We estimate the total number of diggers on our ground to be 619—namely, 267 Austrians, 225 British and other nationalities, 127 Maoris. The last item is only approximate, including men, women, and children. The Maoris work, on an average, about four months in the year. The others are all, so far as I know, gum-diggers only, at present. At times there may be settlers among them. I can supply the Commission with a note of the total gum obtained on our ground during the last six months. No rent, royalty, or license-fee is directly charged for digging on our land. We fix the price of the gum at as much below the outside price as it is necessary to cover our rent. Our price may range from about 1s. to 5s. a hundredweight below the outside price. The diggers are compelled to deal at our stores. I do not think that in consequence of this they bring the gum in a less cleansed condition than others. The Austrians clean the gum as well as others, and I think they get out a little more. They are paid according to the quality and cleaning. They are not specially told how much is taken off the outside price. We are guided by the advices wired to us of our sales which take place every week. Very few complaints of our system are made to us. If a man does not like it he goes. I think the wages average as good on our ground as outside. I have in three or four instances given men notice to quit under the agreement. I have done so when a man persists in getting stores elsewhere. The quality of our gum is mostly ordinary and below. The whole cost of sending our gum to town, excluding the getting it in from the ground, would be £1 13s. (the cost of bringing it from the ground to the station is £2 per ton). The cost of transit is higher here than on the East Coast, where there is only one shipment by reason of the steamer and railway-fare. Our prices for provisions are: Potatoes, 8s. to 12s. per hundredweight, according to season; flour, 15s. to 17s. per hundredweight (in 50 lb. bags); tea, 2s., 2s. 6d., and 3s. per pound; sugar, 4½d. to 5d.; coffee, 2s.; cheese, 8d. to 10d; meat, 15s. a dozen tins, or 1s. 4d. a tin; jam, 7d. to 10d. a tin; Nestle's preserved milk, 9d. to 10d. and 1s.; tobacco, 6s. per pound; matches, 2s. a dozen; bread, 4 lb. loaf, 10d.; rice, 4d. and 5d. per pound. All these articles are of the best qualities, and the variations in price are on account of the positions of the different stores. The goods are delivered at the wharves, and the gum fetched, as a rule. We employ no diggers on wages. I do not think I have heard the term "truck system" applied to our system until quite recently, except in Mr. Dargaville's paper. Our accounts are quashed when the gum

is sold, which is generally when the digger wishes to sell it. We give a start to men sometimes, and sometimes we refuse it. It sometimes happens that a man keeps his gum for four months, and occasionally we may give credit for that time. . . . I know nothing of how the Austrians have come here, or of any contract or arrangement made by any person to bring them out. Our firm has never had anything to do with such a transaction, nor have I ever persuaded or advised any Austrians, who are steady and industrious. I consider them a desirable class of settler if they would bring their families. I am not aware of any quarrels between them and the other diggers; they are very orderly. I know of eight who returned Home a week or two ago. I have no idea what money they took with them. I think they went Home to complete their military service. I think the earnings of the Austrians on our ground would be close on £2 a week, and the cost of their living 10s. or 11s. a week. I should put the average of other diggers, including the aged, at about £1 15s. The Austrians are mostly young and strong men, but amongst the other diggers are many who come merely because they do not know what else to turn to. A license-fee for digging on private lands would operate in this way: The land is taxed on the basis of the value of the gum, which governs the rent, and then the digger would be taxed for getting the same gum which is already paying tax; and if he were lucky enough to make an income from the gum of more than £300 he would again have to pay income-tax on it. Moreover, the land is already rated for county purposes, and I consider that the diggers are paying those rates. I am not in favour of an export duty, because I believe it would fall on the digger. The price paid to him would be less. I have ascertained for the information of the Commission the amount of cash paid at our stores for gum over and above stores supplied for three months ending 31st May, 1893. The number of men was 557, including 121 Maoris, which latter number includes women and children. The Maoris work about four to six months a year. The total sum so paid during the above three months was £7,589 0s. 9d. I also produce a statement showing wages earned by some of the best men during various periods: one Austrian in twelve months earned an average of £4 19s. 2d. per week; another £2 13s. 6d. A British digger for twelve months (including three weeks' holiday), £3 10s. 6d.; another, four months, £3 12s. per week; another, in ten months (one month of which was holiday), £3 9s. 6d.; another, nine months, £2 10s. 1d."

STATEMENTS and RETURNS put in by Mr. R. Mitchelson in his Evidence.

A.

AVERAGE EARNINGS PER WEEK OF MEN WORKING ON E. MITCHELSON AND BROTHERS' LEASES.

Names.	From	To	Cash received for Gum.			Goods Account: Advances on account Gum.			Total Earnings.	Weeks.	Average per Week.				
			£	s.	d.	£	s.	d.			£	s.	d.		
<i>Babylon Store.</i>															
British—															
Cannard, C.	Mar. 1, 1897	Jan. 11, 1898	80	18	3	21	19	2	102	17	5	44	2	6	9
Barandon, J.	Feb. 9, "	Nov. 24, 1897	43	18	10	28	10	7	72	9	5	41	1	15	4
Austrians—															
Pericie, P.	Mar. 1, "	Oct. 18, "	32	17	11	24	10	3	57	8	2	33	1	14	9
Salle Dominiko	Sept. 1, "	Dec. 22, "	20	14	9	8	18	10	29	13	7	13	2	5	8
<i>Flax-mill.</i>															
Flavell, C.	July 27, "	Dec. 17, "	81	0	5	}	..	..	..	20	4	1	0		
Goodall, J.	July 27, "	Dec. 17, "	69	13	1										
Goodall, W.	Sept. 4, "	Dec. 17, "	67	16	9										
Griffin, R.	Sept. 18, "	Dec. 17, "	61	12	11										
Brown, J.	Sept. 20, "	Dec. 17, "	47	4	11										
<i>Maropiu Store.</i>															
Shillwell, J. (man, woman, child)	Dec. 3, 1896	Dec. 31, "	103	1	9	48	2	10	151	4	7	52	2	18	2
Sicheri Brothers (2)	Dec. 31, "	Dec. 31, "	250	7	5	51	10	10	301	18	3	52	5	16	1†

* Amount of goods supplied to these four men, £37 18s. 2d.; cash paid them, £212 5s. † £3 18s. each.

A1.

AVERAGE EARNINGS PER WEEK OF MEN WORKING ON E. MITCHELSON AND BROTHERS' LEASES.

Names.	From	To	Cash received for Gum.			Weeks.	Average per Week.		
			£	s.	d.		£	s.	d.
<i>Flax-mill Lease.</i>									
Flavell, Charles	July 27, 1897	Dec. 17, 1897	81	0	5	20	4	1	0
Goodall, John	July 27, "	Dec. 17, "	69	13	1	20	3	9	6
Goodall, William	Sept. 4, "	Dec. 17, "	37	16	9	15	2	10	6
Griffin, R.	Sept. 18, "	Dec. 17, "	61	12	11	13	4	14	10
Brown, John	Sept. 20, "	Dec. 17, "	47	4	11	12	3	18	0
<i>Babylon Lease.</i>									
British—									
Cannard, C.	Mar. 1, "	Jan. 11, 1898	102	17	5	44	2	6	9
Barandon, J.	Feb. 9, "	Nov. 24, 1897	72	9	5	41	1	15	4
Austrians—									
Pericie, P.	Mar. 1, "	Oct. 18, "	57	8	2	33	1	14	9
Salle Dominiko	Sept. 1, "	Dec. 22, "	29	13	7	13	2	5	8
<i>Maropiu Lease.</i>									
Shillwell, J.	Dec. 31, 1896	Dec. 31, "	151	4	7	52	2	18	2
Sicheri Brothers (2)	Dec. 31, "	Dec. 31, "	301	18	3	52	5	16	1*

* £2 18s. each.

B.

PRICES CHARGED ON GOODS SOLD AT MITCHELSON BROTHERS' LEASE STORES.

Commodity.	Flax-mill.		Babylon.		Maropiu.		Kaihu.	
	s.	d.	s.	d.	s.	d.	s.	d.
Flour (100 lb.)	16	6	16	0	16	0	14	6
Potatoes (new), per cwt.	12	0	12	0	10	0	10	0
Sugar (per lb.)	0	4	0	4	0	4	0	3½
Milk	0	9	0	10	0	10	0	9
Tea (per lb.)	2	6	2s. 6d. to 3s.		2s. 6d. to 3s.		2s. to 2s. 6d.	
Candles (per lb.)	1	0	..		..		0 10	
Beef (per tin)	1	3	..		1 3		1s. 1d.; 1s. 9d. doz.	
Rice (per lb.)	0	4	..		..		0 4	

AVERAGE PRICE PAID FOR GUM FOR TWELVE MONTHS OFF LEASE LANDS.

Babylon, £2 6s. 6d.; Maropiu, £2 5s. 9d.; Flax-mill, £2 7s.; Kaihu, £2 3s. 6d. Prices ranging from 7s. to £5 per hundredweight; average price, £2 5s. 8d.

MEN EMPLOYED AT GUM-DIGGING ON LEASE LANDS.

—	Babylon.	Maropiu.	Kaihu.	Flax-mill.	Totals.
Austrians	81	57	..	90	168
British	23	18	20	14	75
Maori .. ..	..	22	20	..	42
					285

OUTPUT OF GUM.

Output of gum from all sources in 1897, 552 tons, as against 1,138 tons in 1893. Average output per year for fourteen years, 712 tons.

RENT OF LEASE.

Rent, £600 per annum, to — Nimmo, Esq.; in 1893 it was £1,000. Lease was for ten years, rental commencing at £1,200 for first year, with reduction of £100 for each year after.

C.

RETURN OF CASH AND GOODS SUPPLIED TO E. MITCHELSON AND BROTHERS' STORES FOR TWO YEARS ENDING THE 31ST DECEMBER, 1897.

—	1896.				1897.			
	Cash.		Goods at Cost, with 10 per Cent. added.		Cash.		Goods at Cost, with 10 per Cent. added.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Flax-mill*	1,602	7 7	570	10 0	1,682	7 7	664	10 0
Babylon	5,631	15 5	2,223	2 7	5,017	6 11	2,148	10 9
Maropiu†	6,999	7 6	2,585	2 9	4,637	9 11	2,177	18 6
Opanake‡ .. ..	..	..	..	..	..	..	..	..

* A number of people deal at this store who are not gum-diggers, but it is not possible to separate their purchases. † At this store a number of customers are not gum-diggers. ‡ This store is supplying bushes, and paying bush orders. We are unable to separate the different items without considerable trouble.

D.

DRAINS.

Drain at Long Gully, being dug by Austrians, a mile and a half, consisting of cross drains; area of swamp, one mile long by 300 yards wide; depth of drain, 8 ft.; width at top, about 10 ft.; at bottom, about 6 ft. Number of men in party, 22.

Drain at Flax-mill Swamp, about a mile and a half long; area of swamp, same as above. Drain about 5 ft. by 4 ft. by 2 ft., running smaller at top of the swamp. These swamps are given over to those who are draining them for the term of our lease, subject to the usual conditions, we to protect them from encroachment by other diggers not being of the party. The number of men in this party is twenty.

E.

CONDITIONS UPON WHICH THE UNDERSIGNED IS PERMITTED TO DIG KAURI-GUM ON THE KAIHU No. 2 BLOCK, KAIPARA.

1. All kauri-gum dug or obtained in any way from the said blocks shall continue the property of Messrs. Mitchelson Brothers, and shall be delivered by the person digging the same to them at either of their stores on Kaihu No. 1 Block, and until so delivered shall be held by the person digging the same as bailee for them.

2. No rent being charged for the right to dig gum above mentioned, it is hereby agreed in lieu thereof that, on delivery as aforesaid of any such gum, Messrs. Mitchelson Brothers (whose decision as to quality or description of gum shall be final and binding upon the person delivering the same) shall have the right to fix, and will thereupon pay, the fair and reasonable value thereof to the person delivering the same whose receipt shall be a sufficient discharge.

3. Any person being upon the said land shall leave and vacate the same within forty-eight hours after receiving notice, either verbal or in writing, requiring him or her so to do from Messrs. Mitchelson Brothers or their agent, and will not again enter upon the said land without first obtaining permission from Messrs. Mitchelson Brothers or their agent; such notice, if in writing, shall be deemed to have been given if left at the last-known place of abode of such person.

I agree to the above conditions:

VALE OF AVOCA, 24TH JANUARY, 1898.

Peter Langton : I am a settler and storekeeper in the Vale of Avoca, and Ranger for the Kauri Timber Company for one hundred miles. I have found that the only honest men in New Zealand are the foreigners, not one of whom has gone away owing me a penny. Look at my books, and you will see that all the others have a balance on the wrong side. The British gum-digger is always scheming how he can get the better of me. I issue the gum-licenses over the above-mentioned area; the fee is 10s. for the right to dig gum. The licensees can sell the gum where they like, and buy their provisions where they like. The only conditions attached to the licenses (Kauri Timber Company) is with regard to the putting-out of fires and the non-interference with rights or cultivated grass lands. There are twenty or thirty Austrians at work here. The Austrians live quite as well as, if not better than, the British gum-digger. Their average living costs 12s. a week, including tobacco. Their average earnings are £1 5s. a week, not clear of tucker. I never heard that the Austrians come out here under contract; in fact, I am sure they do not. I have advanced money to some of them to enable their friends to come out. [Passages were read from the store-books which showed that the Austrians have as many goods and as great a variety of articles of food as the ordinary British gum-digger.] My way of proposing to settle the difficulty is to endeavour to settle the Austrians on the land, as they will be found to be the best of settlers. I consider that gum-diggers obtaining 5 lb. and 6 lb. nowadays, with present prices of provisions, are better off than the digger was when they obtained 1 cwt. of gum a day, which was twenty years ago.

Mark Ciprian : I was born in Dalmatia. I am a labourer. The wages in that country were about 2s. and found. I first heard of New Zealand from people talking about it. I came direct in a steamer from Trieste, to Scarrott's, on the Wairoa. I have been here five years, and could only make tucker when I came first. I am not married. I made £30 gum-digging, and then, with the assistance of Mr. Peter Langton, took up land in Maunguru Survey District. If Government found good land for the Austrians I am sure some of my countrymen would settle on it. The land is too wet near the river (Wairoa) for vine-growing. The Maunguru would make a grand vineyard country, and Austrians, if they had the opportunity, would settle, and introduce the wine industry. The Government should translate the land-laws into Slavonic, which would be the means of making my countrymen acquainted with the facilities of settling. A great many of my countrymen are married men with families, and they send their savings home to keep them. Their earnings in the summer time would be £1 5s. a week and tucker, and in the winter 10s.

WAIROA BRIDGE, 25TH JANUARY, 1898.

Jefery Hunter : I am a gum-buyer at Maungakahia. I have been here twenty years. I never had any Austrians working for me. I discourage them. The adjoining land to mine is Maori land, which the Maoris work themselves, and do not want anybody else. There is only one white man working under license there. I do not hold any leased gum-lands. There are not so many gum-diggers now as some time ago, and they are getting better prices now. The quantity and quality of the gum has fallen off. I should think that it costs 10s. to 12s. for the ordinary British gum-digger's keep. The diggers complain of the Austrian competition, but the storekeepers are quite satisfied with them.

Samuel Lucas : Seven years ago I went to Australia, and stayed there five months, and then came to New Zealand. I went to Tikinui, and made sometimes £1, and sometimes 10s., and sometimes tucker. There are seventeen Austrians in this camp, and all come from Dalmatia, except one Italian. We are only making tucker. I paid my own passage from Austria. My brother told me to come to New Zealand. All the Austrians paid their own passages. No storekeeper ever paid passages. I do not know anything about the land-laws of the colony. I have not completed my military service. Three here have been soldiers, and two are married men.

[Samuel Lucas was to have acted as interpreter, but he laboured under great difficulties in making translations, and the men at this camp were very unwilling even to give their names, they apparently having conceived that the Commission intended some harm to them. They had an idea that the Commissioners, being Government officers, were in some manner obtaining information concerning them for the Austrian Government, probably as to their military service.]

Samuel Rawnsley : I am a gum merchant and storekeeper at Poroti. I have been here eighteen years. I generally approve of what I said before the Gum Commission of 1893, excepting so far as the portion with reference to the price of goods. There is very little difference in the way the Austrians live and the Britishers. When they first came here they lived very poorly, but now they live as well as the British gum-diggers. They are sober and industrious, and I have never lost a penny by them, and have had extensive transactions with them. I have had a hundred and fifty dealing with me. We make a considerable reduction for cash—12 per cent. and 12½ per cent. The Austrians prefer paying cash. We have very few accounts now, through this system, of either British or Austrians. I produce a cash-book, in which you will see an average account shows that two Austrians during a recent month paid for 2 cwt. flour, 2 cwt. potatoes, tin of coffee, half-tin pepper, four tins lard, one case tinned meat, half-dozen packets of matches, and bag of sugar (4 lb.): total, £5 0s. 4d.; average, about 10s. per week. Two Britishers took a week's supplies—50 lb. flour, 1 lb. butter, 4 lb. sugar, 4 lb. rice, 2 lb. honey, ½ lb. tea, one tin of meat, two sticks of tobacco, two packets matches, and 1 lb. candles—amounting to £1, but fresh meat extra: average, about 10s. a week. The way in which some of the Austrians have come out is that the passage-money is raised on the security of their relations, which they are

always anxious to pay off as soon as they can, to relieve the pressure from those relations. The money so got is supposed to come from the *Crédit Foncier* bank, but I have not real information on the matter. I have heard rumours to the effect that certain leaseholders have introduced Austrians to work their gum-lands, but I do not believe it. I think the collecting of license-fees from gum-diggers is not practicable, because of the difficulty of collection. I do not think it practicable even to make the production of a license to the gum-buyer, because many men, when arriving on the fields, are often in such a state of destitution that it would be cruel to deny them the right to live. I do not think that the gum-digger should be taxed directly by a license, as I think he contributes quite enough to the revenue already. He spends most of his earnings in food, clothing, and beer. The Austrians in this district in the last year or two have changed their mode of living, and live more like Englishmen, even to the extent of drinking beer, but not to excess. I have been in such close connection with the gum-digger that I have thought there should be a small export duty, sufficient to provide for them in case of sickness or old age. My reason for this is that already the small landowners and small settlers have their road-rates practically swallowed up by charitable aid, leaving them no funds for the roads. But in advocating an export duty of 5s. I would also suggest that the gum-diggers should nominate a man to each County Council, so that he should see that the funds so raised are properly expended only among their own people. The export duty on kauri-gum should be spent only in the districts in which the gum is raised. I think that the country should get some value for the gum exported, as shown by a parallel case that I have lately seen in print. It is as follows: "Amber in Prussia.—The working of amber in Prussia is a monopoly which the Government lease to a firm paying a royalty of 600,000 marks a year. A good deal of amber is found entangled in seaweed on the sands at Pellac after north-westerly gales, and last year 100 tons of this crude amber were brought to Dantzic for manufacture. Excepting the best bits, which are reserved for beads, and mouthpieces for pipes and cigar-holders, the whole of this is used for making lac and varnish." I would like the Commissioners to make inquiries from the German Consul whether the condition of labour is affected by the money which was paid by the company to the Government for the sale of amber. As to the amount of gum sold to me by individual diggers, two men in a month got cash £18 4s. 4d., the following month the same two men got cash £22 0s. 3d., and in the three weeks following they got £18 11s. 8d. The fields here were supposed to be considerably reduced years ago, but last year my books show that the production was equal in value to previous years, although, of course, the amount of gum has not been the same.

HIKURANGI, 27TH JANUARY, 1898.

Albert Thomas Bennett: I have only been eight months in this district, but have been in Kawakawa since I was a lad. All this time I have been connected with the kauri-gum industry. I have never dug myself. My father was in the trade before me. The yield of gum is falling off, but the price is of higher value. I do not think that the advance in price quite compensates for the less quantity of gum they obtain. The average wages of a gum-digger ten years ago was from £2 to £3, but there are lot of diggers who do not make tucker. I should think £1 10s. to £2 is about the average now of a good digger. There are no Austrians on the Hikurangi fields. We keep a store. The British digger's living costs about 10s. to 12s. The cartage in years past was very much heavier than it is now. The cartage would be nowadays one-quarter less than what it was when the gum-diggers earned £3 a week. I think the diggers on leased fields have to pay more for their stores than those digging on the Crown lands, because they must deal with the storekeepers who lease the field. It is an undefined royalty, making their profit out of stores. There is very little profit made in the gum. Gum is a very risky thing to handle, because the price is so fluctuating. The fluctuation in price is just about the same as ten years ago. I believe it is simply the result of supply and demand; it is very seldom the result of "corners." I think the European gum-digger has felt the Austrian influx a great deal by the increased supply of gum, which brings about a proportionate reduction in price, and also by finding gum scarcer after the Austrians have passed over the field. The Austrians are setting about their work in a more systematic manner, and not moving about from place to place as frequently as the British diggers. When the coal-mines are slack the miners take to gum-digging; and there are a great many also employed in the timber trade; so the number of diggers fluctuates a great deal. I have known a few diggers settle down and become agriculturists, but as a rule a gum-digger's occupation is of a roving character. I do not know, if a block of land was offered to the regular gum-diggers, whether they would accept the offer, and become agriculturists. The Austrians generally are sober and industrious, but some of them go on the spree sometimes. I have heard rumours that Austrians have been landed under contract, but I have never had any proof that it was so. The gum-carting cuts up the roads somewhat in the winter time, and the county receives nothing from the *bonâ fide* gum-digger. I think the gum-diggers are already pretty heavily taxed in what they eat and drink, but it is hardly fair to the counties that they should not receive something from them for the wear-and-tear of the roads. I recognise that a great value of exported gum has come from the North, and I think that a fair proportion of this should have been returned to the North in the shape of the roads that have been destroyed; but I should not be in favour of an export duty if it fell wholly on the gum-digger. I think that an export duty would certainly fall on the digger. If the export of gum could be regulated I believe a steady price from the manufacturers could be insured. I know of no gum-licenses having been issued but by those who possessed private fields, and this was done to reimburse themselves for the cost of the lease held from the Maoris. I do not think the issue of licenses a good way of raising revenue. It would cost as much to collect as the license would bring in, and, moreover, only touching those diggers working on Crown lands. There seems to be a good percentage of old men who only earn their living. This (Hikurangi) is a

winter field, because of the hilly nature and hardness of the ground. There is gum in all the swamps about here, so the supply of gum is not worked out yet.

Robert Howie: I am a settler of eighteen years' standing, and buyer of kauri-gum for four years, at Hikurangi, and well acquainted with the kauri-gum industry. The gum is very much scarcer now than in former years, but it is of higher value, and the diggers are never satisfied, as many of them are very improvident. There are no Austrians on this field now, but last year there were about twenty at work here. I wish there were more here, as I have a very good opinion of them. I found them what I should like to say about Europeans. I have never lost a penny by them. I do not know of any drawback to their presence in the colony, but to the contrary. I think it would be a blessing to the country if Government were to set aside a block of land for them to settle upon. I know of some Austrians who have settled down, and they make steady good settlers. If the Government were to offer land to the average British gum-digger I do not think they would take advantage of it. I have given a few "starts," but as a rule they "leave their footprints." The value of a start is about £1 16s. We, as a rule, do not give "starts," as we generally get left; but this is never the case with the Austrians. I never heard that the Austrians were brought here under contract. I have every reason to respect the Austrians as neighbours. I consider that the gum-diggers have to pay towards the mischief that is done to the roads, in this way: If the roads are good it may cost, for instance, 10s. to deliver supplies at their camp—this they are charged; in winter time, when the roads are bad, it may cost £2 or £3 to deliver the same supplies, and this also they are charged with: so they have to pay higher for the mischief done to the roads; but, strictly speaking, they are only paying me for what it costs me to deliver those supplies, and contribute nothing towards road construction or maintenance. I am not aware that ever any gum-license fees are collected for digging on ordinary Crown land; the only license-fee I know of is the one charged for digging in the State forests. The collecting of license-fees, I think, is impracticable, because of the many facilities there are of evading payment. Last winter I purchased as much gum from diggers in one day as I got in two months recently, but this is accounted for partly because of the facility of obtaining good employment in connection with the timber industry and other work in the district, and there are not now nearly as many gum-diggers as there were a year ago. There are at present only about a dozen at work, whereas last year, inclusive of the settlers who got gum, there might have been a hundred at work. Settlers who have been at work gum-digging found it unprofitable, and therefore gave it up, and took to timber-working instead. They are not likely to go back to digging if they can help it. We also in this district have places where several layers of gum were found on the top of one another, but I believe that this has been owing to slips that have taken place.

Thomas Shore: I am a storeman and buyer of gum for Mr. Bennett, at Hikurangi. I have been connected with the gum industry for about ten years. Practically speaking, so far as this field is concerned, the gum is exhausted. There are not more than fifteen diggers now on this Hikurangi field. It is about nine miles in circumference. I think the field is too poor now for the Austrians. The average earnings on this field are 17s. or 18s. a week. The very best men, at this time of year, and the state the field is in, cannot average more than £1 15s. a week. I do not think the average yield for each man per week is more than 25 lb. to 28 lb. We pay on this field—For washed nuts, £1 10s. to £1 15s.; washed nuts included with other gum, £3 per cwt.; good ordinary, £3 8s. to £3 10s., according to quality and scraping; best ordinary, up to £3 12s.; re-scraped, £4 16s. to £5. Diggers are all free on this field. There are no private fields here; we have no hold over them; it is a free field. We very rarely give credit; we prefer cash business. The diggers on this field are those that have been here for a number of years. The field does not attract new hands. The gum is very shallow on the ranges, but I have known it to be found at 10 ft. and 16 ft. in the slips. The range gum is of superior quality, but it is of poor quality in the swamps. There has been no ploughing on Crown lands—not to my knowledge, but there has been ploughing on private lands for other purposes. As regards the Austrians, I know of nothing personally about them, having had no transactions with them. I have heard that they live very cheaply. I believe there are some diggers who would take advantage if suitable land for settlement was opened adjoining gum-lands. The life of a gum-digger is wretched, and one of the last a man would take to. I would reserve all gum-land for sale; in the majority of cases, when a man applies for gum-land to settle upon he is not to be believed, as he simply wants it to work the gum. I do not consider that it would be advisable to make any special reservation for settlers, but leave the whole of the gumfields free to everybody and anybody. My reason for saying this is that the settlers will always derive some benefit from the gum-diggers working near their holdings, in the sale of produce, and so on. I consider that the Austrians should be taxed in some way. I believe in the issuing of licenses for the right to dig gum, but I think that the Austrians should pay a higher fee than Britishers; but it wants a wiser head than mine to state how such license-fees are to be collected. I consider the diggers on this field are just as honest men as any ordinary British citizens. As far as my personal knowledge goes, they are an honest set of men on this field. We have not a gum-digger on our books, as we do not give credit. There are many settlers in this neighbourhood who would not be on their sections if it had not been for the assistance the gum had given them. The average earnings of a digger eight years ago was £1 7s. a week, but at that time provisions were higher. I consider this gumfield to-day is not a field for the ordinary digger to make a living on, but a good stand-by for the settlers round about.

William Carter: I am a settler at Hikurangi of twenty-seven years' standing, and am a member of the Whangarei County Council, and Chairman of the Charitable Aid Board. I have had considerable experience in the way in which the gum industry has been worked in this district. The gum industry has the effect of breaking up the roads, principally in winter time. For this we have received no recompense. While the price of gum remains as at present I do not think the

gum-digger can give anything towards it. The time is past. If this had come on fifteen or twenty years ago probably it would have altered the case. The gum has gone that could be easily got, and the gum now being got is procured with such difficulty that I do not see how the digger can be taxed more than he is now. The ordinary gum-lands have been turned over so frequently that I do not think a man who digs now could be taxed specially. I do not consider that an export duty would be a just measure, if that duty had to be paid by the digger; but if it could be arranged that the duty should not fall upon him I think that it would be a desirable thing. If it is true that kauri-gum is a unique product, and buyers must have it at any price, then I think that a duty would be feasible, and under properly guarded regulations the sale of the gum could be advantageously adjusted. We have on the field many elderly men who were used to following others and getting a meagre living from what they could pick up. Now, the Austrians work their ground in a very thorough and exhaustive manner, and the elderly men following persons of this nationality cannot succeed in obtaining any living at all; consequently the presence of the Austrians on the field causes the old men to require aid from the Charitable Aid Board sooner than they would if the field had only been worked by ordinary diggers. The principal expenses of the Charitable Aid Board is put to is in connection with men who have to seek medical advice and rations in Auckland, all of which is charged against the North of Auckland Board. The rest of the expenditure is for old men and families to whom assistance must be given in the district. The expenditure of the Charitable Aid Board was not so heavy some years ago. I cannot speak with authority, as I have only recently been appointed Chairman of the Charitable Aid Board. I believe the presence of the Austrians on the gumfields is a growing evil, but consider it a very difficult question to deal with. The presence of Austrians here in large numbers will have the effect of increasing the charitable-aid expenditure, inasmuch as old gum-diggers will not be able to make a living as they have hitherto. Supposing that it be proved true that kauri-gum is a unique product, and that no other article could compete with it, then I believe an export duty could be levied if the export duty could be ear-marked specially for the local bodies to expend on charitable aid and maintenance of roads in the northern districts. The maximum rates levied by counties and Road Boards are 1½d. in the pound; of that, generally speaking, ½d. goes towards charitable-aid fund, and the rest towards public works and other expenses. I am the owner of 500 acres of land, part of which is gum-land. I do not find it profitable to try to keep the diggers out. It was unfenced. I never made a charge against them for digging on the ground. Part of the land which I had fenced in I ploughed up, and got gum from, and then put it in grass. The Whangarei County Council attempted the collection of gum-license fees some years ago, but it was abandoned because it was found that the collection would cost as much as the license-fees were worth, probably more.

CAMPBELL'S LEASE, RUAKAKA, 28TH JANUARY, 1898.

Raphael Claridge: I come from Dalmatia. I was a sailor, and worked on a farm, on which I earned 2s. 6d. a day. I was told about New Zealand from friends of mine. I went to Australia first, but I did not stay there any time. I came to New Zealand. I came here straight, and have been here for two years. I paid my own passage here. Some of us were assisted in coming here, and have repaid the passage-money since. In our party there are four or five married men and thirty single men. We are not doing much. Some of us are saving from £2 to £3 a month. We are not working on the co-operative system here. Some of us get 40 lb., 50 lb., and 60 lb. of gum, the price being from £2 10s. to £2 15s. per hundredweight. We pay 12s. each royalty to Neil Campbell for working on this ground. We buy our stores from him; he charges the same rates as other storekeepers. We must sell our gum to him. He gives a fair price for the gum. We get our gum sometimes 2 ft. or 3 ft. deep, sometimes 6 ft. The gum is found here in several layers; the lower layer seems to be the better gum. There is a good proportion of "sugar" amongst this. It is principally darkish and brown gum. There is also white gum, which is the most valuable. As a rule we spear for gum, taking it out wherever we find it. Occasionally it is found advisable to work the gum on the face. Each man keeps his own gum. Sometimes two or three are mates. As a rule, we work in small parties, dividing the gum equally. There are about twenty to twenty-five Maoris working in this swamp. There are about ten Britishers. About seventy altogether. There are about three hundred Austrians working at Mangawhai Swamp. Some have been here from three to four years. As a rule, those going back have saved from £100 to £150. £100 would enable us to live three years at Home—that is, supposing there is no family. If good and suitable land were offered to us a good many would settle here; plenty of young fellows would stop. The young men would rather stop here if suitable opportunity to stay was given, because if they go Home they are sure to be drafted into the army for three or four years. Some of us have completed our service, and can go Home without being in danger of being drafted into the army again. I think it would be a good thing to have the land-laws translated into the Dalmatian language, and I think a good many Austrians would take advantage of the settlement conditions. We grow at Home any of the fruits, vines, &c. This swamp would be a good place for anything to grow, but it would be hard work to drain it. Most of my countrymen at Mangawhai are from Istria and Dalmatia.

[Eight Austrians present were asked if they agreed with what had been said by the witness, and answered in the affirmative.]

Henry Serjeant: I am a settler of fourteen years' standing, at Ruakaka. We had a store once on this swamp, and bought gum between here and Waipu for five years. At the present time the average is ¾ cwt. a week. Once, in the early days, it was about 1½ cwt. a week. The price of the gum then was about £2 per hundredweight, and the price of the gum is now £2 15s. Storekeepers

when I first came charged just what they liked. The average cost was about £1 a week; it is now about 10s. While we had a store the average number of diggers would be about forty. Ours was the only store for some time. A greater part of this field was then a private one. The digging was free on the private land; no fee was charged. It is only a summer field, and the output for the season may have been 40 tons; but for several years scarcely anybody was digging at all. I do not think this field will be exhausted for several years to come. There are many fields where the average is not $\frac{3}{4}$ cwt. a week. We gave up buying gum because the market was bad, and we lost money on the transactions. In the days when I was in business the diggers did not work as deep as they do now, but it was all spearing work. It is all paddocking work now. During my time very few Austrians were on the field. I gave up business in 1892. My personal experience of the Austrians while in the gum business was that they were not desirable diggers, as they only spent about 2s. 6d. a week, getting their supplies probably from the sea-beaches, in the shape of fish and pipis; but Mr. Campbell, who is supplying them now, states that they are living as well as other diggers are. We started the first year and did very well, and we sent our gum to an agent in Auckland, who served our interests well. The second year we sent our gum to the same agent. Though the price we saw in the papers was just the same, we did not get anything like that price, but 5s. to 10s. a hundredweight under. There is evidently something wanting in the way of regulating the prices of gum to be paid to the purchaser. In my time gum-buyers were entirely dependent upon the dictum of their agents and of the purchasers in Auckland. If some means could have been devised, or could be devised even now, whereby a guarantee would be given to the producer that he would obtain a fair market rate for the gum, a great step in the way of improving the industry would take place. My experience has been this: that if a man has not sufficient money to be in a position to hold the gum when fair prices are not being offered, he is better out of the business, as then he will be completely at the mercy of those through whose hands his gum has to pass in Auckland. The question of the gum industry contributing towards the maintenance of the roads has never been prominent in this part of the country, as we have shipped all our gum from Marsden Point, and the road there is through sandy soil, and is equally good in winter as in summer. I think Austrians should be made to settle here—to take up a homestead—instead of digging the gum and sending the money away to Austria. It is very unfair to the settlers here to have the gum, which might be a resource to them, removed without any equivalent in return from them to the country. I do not think that the Austrians, even if the Government were to place a good block of land at their disposal, would settle upon it in any large numbers. When they cannot get the gum they will go.

WAIPU JUNCTION.

Kenneth McDonald: I am a storekeeper at the Waipu Junction. I have been there since 1854. At that time the gum was lying about the surface of the ground, and could be collected in heaps. The price was about £4 per ton, but the gum has gradually been growing scarcer, and the price has risen considerably. I do not think there have been more than a hundred diggers at any one time on the field. It was about four years ago that the Austrians came here. I have not had any transactions in gum with them, but have had the ordinary transactions with regard to stores. I have always found them very honest. I have been informed that one storekeeper who has leased fields will not allow any diggers on his field but Austrians. I believe that the fairest way to meet the increased expenditure on the roads caused by the gum traffic would be to put on an export duty, but I should prefer to see it arranged in such a way that the money so raised should be spent on the northern districts—on roads and charitable aid. The cost should not fall upon the digger himself, but on the trade. I believe all the Austrians are making money, and that some British diggers are making money, and the settlers find it a great help to be able to sell a little gum now and then. There are very few elderly men on the field; they used to be more numerous than at present. Some of the older diggers have already come on the North Auckland Charitable Aid Board for help. I think that for the old people some provision should be made, either by an export duty or some other means. I should like to see a considerable number of the Austrians settled on the land, as they are very good men at vines and in the growing of other fruits. It is the practice of the diggers on this field to work in the swamps in the summer time and on the hills in the winter time, and most of them are therefore keeping in this district. If the ordinary gum-digger received the offer of a block of Government land on which to settle, I doubt whether he would avail himself of it; but, still, it could be tried.

Bernard McLaughlin: I have been a storekeeper at Waipu Central for six years and a half. I buy gum from the diggers, of which there are ten to twelve close to Waipu. There are no Austrians that I know of. The class of men are elderly, and are only just able to get tucker. About three men save each £1 a week. My own opinion is that the gum is getting very scarce and hard to find. I have had no dealings in gum with Austrians except ordinary store transactions for cash. The Austrians are a very superior class of men as far as honesty is concerned. The Austrians have gone through this field and remained here for about a year, shifting about. I have seen a party of twelve working on a piece of ground a quarter of a chain square, and in this way they have skinned the ground. No Austrian diggers have settled here. The Austrians as a body are making money on the gumfield; one of them informed me that he was saving £2 a week. They are a very law-abiding and inoffensive class of men, but as matters stand now they are doing the Britishers harm by preventing them earning as much as they otherwise would do, as they take out in a week what the others take out in two or three weeks, and the money they earn is generally sent to their own country. The system of disposing of the gum seems to be badly regulated: some persons must make an enormous and unreasonable profit. I have sold gum, re-scraped, of the finest quality—light amber gum—for £4 15s., and the same quality was quoted in the London market at £10 and upwards. The profit, therefore, must have passed into the

hands of men who had nothing to do with the production of it. This happened about two years ago, and for that same gum I could receive £7 10s. instead of the £4 15s. I know of an instance of a piece of land not far from here which I might have leased for £15 a year six years ago, containing about 200 or 300 acres of gum-land, and from this land gum to the value of at least £8,000 to £10,000 has been removed during that time. That field was supposed to be exhausted when the lease was offered to me. A few men are digging there now, and some of them are doing well, and I am of opinion that it will last for many years to come. The reason is that the gum is found in layers, and the earlier diggers did not sink below the first layer; and so we have two or three layers undisturbed. In some instances gum is often found at the trunks of and at the roots of kauri-trees under the surface of the ground, and sometimes at very great depths. A digger can live well on 8s. to 10s. a week on this field, and I believe that, as regards prices charged for stores, gum-diggers are treated better in the Waipu district than on most gum-fields. Giving an instance, the diggers were charged 3½d. for sugar here when on the other fields they were paying 5d. Potatoes are dear now, and could not be supplied to the digger under 10s. a hundredweight; tea is 2s.; candles, 6d. to 8d. For fresh mutton and beef I charge 4d. a pound; tinned meat, 1s. 1d. the 2lb. tin. I am of opinion that it would be of immense benefit to all concerned if it could be arranged that the Government should control the sale of the gum in the London and New York market, by the appointment of agents, so as to insure a steady and fair return for this product. I think the only way of preventing the Austrians flooding the country would be by a poll-tax, such as is levied on the Chinamen; but, still, I recognise the difficulty of dealing with the subjects of a friendly Power, and at the same time I have nothing to say against the Austrians personally.

WAIPU, 29TH JANUARY, 1898.

Nicolas Seutch: I am a telegraph lineman, stationed at Waipu. I was born at Fiuma, in Lower Austria. I left my native country for the last time in 1861. I came from India to New Zealand, through Australia. I came here in 1864. I landed in Auckland in the same ship as the 60th Regiment. After various travels through New Zealand, in 1879 I was employed by the Telegraph Department, and have been permanently stationed here for the last seventeen years. It is difficult to arrive exactly at the causes which led to the influx of my countrymen. As far as I know, there is a person out here of the name of Paul Lopez (I am speaking of eighteen years ago); he was gum-digging at Dargaville, and made a little money. He went home to Austria, got married there, and brought his wife back to New Zealand with him, and also some of his relatives, and since then it seems to me that, by him giving them the idea that money could be made in the country at gum-digging, they have been advancing money to each other to come out. About seven years ago several of my countrymen were partners in a sweepstake, and the amount of the share which they drew amounted to £800 each. On the news of this reaching their relatives in Austria it further excited their desire to come out. They received an idea that New Zealand was a place where money was plentiful, and that it was a free country, where they could live an independent life, and be treated well by the colonists. Some of the younger ones objected to the military service, and that acted as an inducement for them to emigrate to New Zealand. I never heard that there were any companies or banks in Austria which were willing to advance money to these men to come here. I believe that some have received the money for their passages by the mortgage of their small places at Home, or, perhaps, on the security of their relatives, which would be the same thing; but I never heard that they came out under contract. I have had many conversations with these people, but never heard of anything of the kind. Most of them are brought up as practical workmen of some kind, either working amongst the olives or vines, or as stonemasons, or fishermen. In Austria, of late years, the crops have failed considerably with disease in the vines, and money has been exceedingly scarce; therefore it became necessary for some of them to go abroad and get money, in order to remit it Home to enable the others to exist through the bad times, and so try to recover their condition. I do not think the married people would be likely to settle in the country; in fact, it is only the single men who I think could be induced to do so, because the married ones have strong home ties; they love their country, and wish to be buried near the graves of their forefathers. It would be difficult to induce them to break up their homes and bring their families to a new country. There is, moreover, the difficulty as to the cost of the passages of a family. But the younger men have no idea of going Home if they possibly can help it; they would settle in New Zealand if the Government would offer them inducement to do so. I would strongly advise that the matter should be carried out in such a way as to satisfy them that it is the Government who is dealing with them, and not intermediary agents, as they, not understanding the language, would be rather afraid to enter into any arrangement with any one else but the Government. If they were made acquainted with the land-laws in an official way, and if some land could specially be set apart for them to start Austrian settlements, I believe it would be found that all these people would make very good settlers—that they would readily embrace the opportunity to settle. As far as I know, when the Austrians receive a little money, they send it on to their homes to give their friends and relatives an opportunity to come out and participate with them in the prospects of making a little money on the gumfields. This to a great extent will account for the influx of the Austrians during the last two years. Failure of the crops last year has been extremely severe, owing to the great heat. I admit that there is reason for grumbling amongst some of the British gum-diggers: the Austrians come here, they work hard, they thoroughly clear out the gum as they go, and then they go away leaving nothing to be gleaned after them by the digger or settlers, who in former times were always able to get a little gum to help them along; but so long as digging

is free to any one who chooses to dig gum, I do not see why the Austrians should not have the same right to dig gum as any one else, according to the law of the country; in fact, it would be an injustice to make an exception with them. Most of those at Mangawhai are late arrivals from Austria. The Austrians are so thick on some of the fields that they cannot make a living themselves. There is a possibility that some of the older diggers may be crowded out, and not be able to make a living; they may have to mortgage their places at Home to get back to their families, and if they have no private land at Home to mortgage they will be in a difficult position. As far as I know, none of my countrymen have brought their families out, and those that are married have been married in this country. I think it would be safe to say that more than five-sixths of the Austrians out here are young men, strong and active, and ready for military service if required. I think the wages in Austria for an ordinary labourer is about 1s. 8d. in good silver, per day, the labourer finding himself. A stonemason gets 2s. and upwards. The Austrians, if they can help it, will not stint themselves in the necessaries of life; in fact, many of them live better than the other gum-diggers when they have the money to pay their way. It is nonsense to talk about them starving themselves when you consider the long hours and hard work connected with gum-digging. Most of them are Roman Catholics, but a few of them may be of the Greek Church. Those that are Catholics keep all the saints' days, so far as they know.

RUAKAKA SWAMP.

Neil James Campbell: I am a gum-buyer, and resident in Ruakaka. I have been here forty-one years, and a storekeeper for the last fourteen years. I buy gum from diggers in this field (Ruakaka). At present they are mostly Austrians. They are decent, honest, fine fellows, the best I have dealt with in gum. At first the Austrians live in a poor way, but after a few years they live better than the ordinary Britishers. I will quote from my store-books a few of the average savings for a week: £1 12s., £2 2s. 6d., £2 7s. 6d., £1 1s. 6d., £1 5s., and £1 6s. This is clear of tucker. Their average tucker bill comes to 12s. or 14s. Flats like Ruakaka will not be worked out for twenty years to come, as the gum is in layers. All the diggers have to work on the face, and together. I never heard that they came out under contract. For instance, I know of three brothers who came out on the advice of a brother who was here. I hold a lease of 550 acres of gum-land. Each digger pays a royalty of 12s. for the season. Of course they are free to buy stores and sell gum to whom they like. Austrians always look out for the better class of gum; when they happen to open up ground where gum is sugary they leave at once. There are a great many of the Austrians on this field who have been working here for four and five years. In winter time they scatter through the district, but return again during summer time. The Ruakaka Swamp is a favourite field, and in order not to have it overcrowded I gave notice in the paper that I would not have any more than the limited number I formerly agreed to have. I am now full, having seventy at work here. There are ten Britishers, sixteen Maoris, and forty-four Austrians. One ground for complaint that the Britisher has is that he does not get "starts" now from the storekeeper, as in former times. I find that the longer the Austrians are here the less they save, gradually drifting into the ways of the colonials. The younger men tell me that when the gum is done they will never go home to their own country. It is impossible for me to say what profit the merchants make out of the gum purchased from me, as they re-sort it, but two years ago the Auckland merchants made a loss. I think, if it were possible in some measure to regulate the sale of gum in New York and London, so that these constant fluctuations should not harass the market, it would be better for all concerned—the producers, the gum-buyers, and the merchants.

HUKERENUI, 31st JANUARY, 1898.

John Gray: I am a settler since 1869, and am well acquainted with the gum industry in this district. I hold the land under village-settlement regulations. I consider the settlers have a grievance against the coming of the Austrians. There were two hundred Austrians on the field the winter before last; they left when the ground got hard. There are very few now. We do not want them, because of their competition, considering that I and the other settlers took up land here with the view of the Government assisting us. The settlers could not have taken up the land without the assistance of the gum. When Mr. Ballance was Minister of Lands I was one of a deputation that waited on him. He asked how the settlers got on. We told him that the settlers had a bank at their doors in the shape of the kauri-gum field, and as long as that lasted we would make a living. He asked if it was not possible to set aside gum-land for the settlers. At the time there were not many settlers, and we did not advise it. He said, "If you will say the word I will conserve this gumfield as a common for the use of the settlers residing on the land." We made no reply. He said, "At any time you can make the matter plain to me. I will set it aside as long as I am in the Ministry." He would have to propose fresh legislation to make the reservation. We never made application to have it reserved. Gum-diggers have always had the right to dig here. No license-fee was ever charged on the Crown land, but there is in the Puhipuhi; a license of 10s. is charged. A digger on Native land, leased from the Maoris, has to pay £1 for twelve months to the lessee, and in addition has to sell his gum and buy stores from him; and in the event of not doing so the men have to leave the field. There is no written or printed agreement. A man working on Wilson's field sold his gum to somebody else, but Wilson, not having a written agreement, did not proceed against him. Verbal agreements are very seldom broken. We have petitioned Parliament to set aside certain blocks of gum-land for the settlers. We do not object to the Austrians personally, but we shall have to leave the land. There is no prospect for our sons and families to take up land. As for the *bonâ fide* digger and old men, it is throwing them

on the Charitable Aid Board, as after the Austrians have done with the field old men and children cannot get any gum, as they take all the surface gum. When Mr. Ballance was in office he told Mr. Collins (present) that if he could get forty men to settle they could have any block they pleased. They chose the Ramarama Block. Mr. Newmann was told to survey it. I got the forty signatures, but the survey was so long delayed that the Ministry went out of office, and the succeeding Ministry failed to carry out Mr. Ballance's proposal, and half the block was disposed of under perpetual lease. Mr. Ballance said he would see about conserving the gum-land near Ramarama. This is a good field, and diggers can still make a living, and could do so for several years to come; but if two hundred Austrians come here next winter I shall not be able to get any. I hear three hundred are coming here next winter. They took an immense quantity of gum last time. The books of the storekeepers would show how much the Austrians get out of the ground. There are not many gum-diggers proper now; the settlers and their sons have taken the place of them. There are only about fifty *bona fide* British gum-diggers on this field apart from settlers. I think they are not making much over tucker now that the ground is hard; the general run are just making tucker. When I came on this field first I cleared £2 and £3 a week. I believe I could hardly clear tucker now. The Austrians work very long hours—from sunrise to sunset. Some of them told me they were making from £1 to £1 10s. clear. In travelling backwards and forwards at all hours of the night I have seen the Austrians with their children travelling with loads at night and returning after dark, carrying gum gathered since daybreak. They are very hardworking, and the storekeepers have nothing to say against them, but they ruin the settlers. Settlers have no objection to the Austrians as neighbours, but they work from daylight to dark. The settlers hold that these men, if they take up land and settle, would be on the same footing as themselves. They would have to stop in the district and take their share with the others. The land will not keep us, and we are dependent on the gum. When the settlers want to send their rent to Auckland they have to go on the field and get gum. These Austrians come in the meantime and take the gum from the fields, and so we cannot pay our rent, or live. These Austrians do not compete with us on the same footing. I came here to settle in the district, without any intention of digging gum. My children had to dig gum sometimes. My money has been getting less, and it is a difficult matter for me to pay my rent now. My land was to be forfeited, but I got it renewed. If these Austrians came here to take away other national wealth, such as totara- or kauri-trees, they could not do so without expenditure of capital; but they have merely to buy a spade and a spear, and they proceed to take the capital out of the colony. I would propose, if a gumfield reserve was made for settlers, that the way to work it would be as follows: Appoint five or seven trustees to control the field for the use of the settlers only. I object to an export duty. If the export duty was £3 per ton I should have 3s. per hundredweight to pay in addition to the royalty to dig on leased land; consequently, I should be paying an utterly unfair proportion of the price of the road-maintenance, even if the money obtained by the export duty was ear-marked, and so set aside for works in the North. We, as settlers, already pay our road-rates; and thus we should be paying with both hands— $\frac{3}{4}$ d. in the pound general rate, and $\frac{3}{4}$ d. in the pound special rate. Storekeepers would be exempt from any share in the export duty. The gum merchants in Auckland form themselves into a "ring," and determine what price shall be paid in the ensuing month or two, and on some occasions there have been very heavy drops, even to 10s. per hundredweight, when the Home market was not fluctuating at all. This is a peculiar district, which has been entirely dependent upon the gumfields, and without them could not have been settled. I do not object to an export duty if it could be arranged that the weight of paying it should not fall on ourselves.

[The following gentlemen were sworn, and agreed with the evidence given by Mr. John Gray: Henry Bartlett, Henry Collins, R. W. Brown, and Francis Thomas Cowan.]

TOWAI.

Robert Marshall: I am a settler, a storekeeper, and the largest buyer of gum in this district for the last nine years, and am well acquainted with the gum industry in these parts. This is a winter field. There are only eight men here now; they are all British, and are just earning tucker. In the winter time they can do better—some 10s., £1, and £1 10s. clear of tucker. There were fifty here last winter. Of these, five were Austrians. The British, on the average, will pay 10s. a week for tucker, and the Austrians about 5s. and 6s. a week. Austrians live principally on rice, potatoes, and lard. The Austrians get more gum than the British, as they work from daylight to dark. I never saw the Austrians at work, but I believe they take it on the face, taking all the gum. I have a leased field, and formerly I would not allow any Austrians to work on it; the reason was that the Britishers were annoyed at the Austrians coming. My lease is about six miles long and in places two miles wide—the Maramaka and other blocks. It is pretty well done now. The gum obtained is very good. For re-scraped £5 per hundredweight is got from the merchants in Auckland; half-scraped, £3 16s. It runs from £2 to £5. The carting of the gum knocks the roads about, and if the roads were made properly the digger could get at least 1s. a hundredweight more for his gum, and get his provisions proportionately cheaper. If the roads are bad it takes five horses to do the work of three. It would make a difference of 2s. if the roads were good—1s. on his gum and 1s. on his provisions. No gum-licenses were ever taken out except in the Puhipuhi. They would cost more to collect than they are worth. I have an old man on my place who would not be able to pay a license; he only earns about 3s. 6d. a week. I give him his milk, and he is just able to live. I charge Britishers nothing to work on my lease, and Austrians £1. I give a written agreement to the effect that the diggers must sell gum to me and buy my stores; for this they have the right to dig gum. Some Austrians have paid their £1 in order to make sure of coming back to me next winter. There have never been more than thirty-five Austrians at work on the adjacent Crown lands. I am

dealing with Garlick and Lyons. I was not satisfied that I was getting a fair price for my gum. I then made this arrangement with them: that they pay me the market price, with certain deductions, and they give me a week's notice whenever there is a rise or fall in the market, so that I may adjust my purchases, and the digger get the advantage of a rise, or saving in the event of a fall. I have been squarely treated with the firms I am dealing with. It does not matter to me whether the gum is at a very high price or at a very low price as far as dealing in gum is concerned. I pay according to the market price; but, of course, if the price is high the men, as a rule, consume more and better stores than when the prices are low, and in that respect it makes a difference to me. Austrians are decent, honest, well-behaved men. If they could be induced to become settlers it would be a good thing. We have one Austrian who is a settler here—Muscoveti—a hardworking man. I do not think the ordinary gum-diggers would ever settle down and work for wages, as they are an independent lot. The gum will be all out in twenty years' time, and the confirmed digger will come on the charitable aid. The working of the kauri forests has taken a great many of the old diggers away. A lot of settlers' sons who were digging are now working at the kauri. The wages of bushmen range from £1 15s. to £2, and found, and extra good men get more. The question of how to deal with the Austrians is a difficult one. I have heard many schemes propounded here by the diggers, but not one of them, according to my idea, would hold water. The Austrians, bad as times now are, can earn £2 to £3 a week by working from sunrise to sunset. I am of opinion that the only way to deal with this influx of the Austrians is, if possible, to pass a law by which they would be prevented from digging gum until they were in the country, say, twelve months or longer. Of course, that would only apply to Crown lands.

AWANUI, 3RD FEBRUARY, 1898.

Lionel Henry Claudet: I am a publican, and have been in this district for fifteen years. I have bought gum for Yates and Evans. I know this district thoroughly well. There are forty Austrians digging on Waiharaha field, and from 250 to 270 British gum-diggers. There are many buyers and storekeepers on the field: Smith, Evans, Shine, Gardiner, Hare Bros., Lawrence (from Totara), and two Austrians have stores there. Diggers average on the field from £2 to £3 a week, clear of tucker. The Austrians' average would be a trifle larger, because they work longer hours. I have no idea what their living-expenses are. They are a very respectable, law-abiding, and industrious people. The Britishers have a grievance against them because they are taking the gum out of the land and sending the money out of the country, while the Britishers spend their money in the country. I believe that some of the diggers would settle if the land was adjacent to the gumfield. There is plenty of good land about Waiharaha at the present time. Supposing that were thrown open to diggers only, with gum-rights reserved to them, then, I think many of the diggers would settle. Storekeepers should not be allowed to take up two or three sections; it should be reserved for the diggers only. Storekeepers have leased lands, and charge a royalty, or the digger must deal with his store. These lands are leased from the Crown. This could be remedied by storekeepers only being allowed to take up sufficient land for a business site. The Austrians that started the store are dealing in stores and buy gum. They bought a Greek out at Waiharaha. All their men deal with them. They dealt with Mr. Evans first. Three years ago fifteen Austrians were here; this year there are forty, and they have written to all their friends to come from the other gumfields. Some told me that Mitchelson spoke to two Austrians on the Wairoa and advised them to write Home and send for their countrymen. I never heard that they came under contract; as far as I know, they come out as free agents. Austrians live very well; they could not put in the long hours if they were not well fed. The Austrians that have been here two years live as well as we do ourselves. If the Austrians would settle there would be no objection to them at all; they would make better settlers than some of the Britishers. I heard two Austrians say that they were going Home to bring their wives out and settle here permanently. All the Austrians talk Italian. My opinion is that the Austrians will increase rapidly. There is hardly a week that Austrians do not arrive here. I did all the post-office work for the diggers, as I had a post-office here till quite lately, and can tell pretty well what money is saved. They send their money every three months to the Home-country. I could not tell the numbers of the Austrians here from the petition, as I would not sign it. I have no idea how many there are at Yates. No attempt has ever been made to collect any licenses. I do not think it would be practicable. The principal traffic on the roads is through the gum industry. Rates for roads are paid by the settlers, and by storekeepers if they have holdings. A good many of the diggers will be thrown on the Charitable Aid Board when the gum is done. This Waiharaha field, when exhausted of gum, can always be made use of in the future. It is swamp-land, and when drained will grow grass, and there is enough timber in it to fence the land. There has been no systematic draining of these swamps. The timber would have to be taken out before it could be ploughed. The timber is very large in it. There are between 8,000 and 10,000 acres of land in this Waiharaha Swamp. The telephone-line runs through the middle of it for eighteen miles, and it is from eight to ten miles wide. There has been hocking and working round the edges, but draining of swamps has been quite a new feature on this field. The gum will never be taken out of it, as it is found down 10 ft. deep, right to the sandstone formation. It will take generations to work it away. There are places where the gum will never be taken out without draining. There is a great deal of sugary gum in it. It is all mixed gum—some good and some bad, and at various depths. I cannot account for the sugar-gum. The gum is touched with sugar all the way down; interspersed with good gum sugar-gum will be found. Some diggers sell it just as they dig it, having scraped, keeping out all the rank sugar. Diggers that send their gum to Auckland sort it. Diggers get a fair price for their

gum, because there is strong competition. The same obtains with regard to provisions. Free diggers can live from 14s. to 15s. a week, but to those that are already in debt to certain storekeepers it costs 18s. to £1. The prices of stores vary at the various places on the field from 13s. to £1 for the same goods. There is no reason for the difference in price. Most of the Austrians have served, excepting the very young ones; some have four to five years to serve, some three years. I heard that you were coming up, and so I made special inquiries.

WAIPAPAKAURI.

Joseph Evans : I am a settler and publican, residing at Waipapakauri, and am a member of the Mongonui County Council. I am a gum-buyer of ten years' standing. I have only got fourteen diggers here, mostly settlers, besides a large number of Maoris. There are not any Austrians. I give the following instances of earnings from my books: James Baker earned six pounds' worth of gum for one week, and last week he earned £8 15s. He has a son fifteen years of age with him. Another settler, whose son helped him for two days, since Christmas earned £14 11s. These are exceptionally good earnings, as by the fine weather they have been able to get into the swamps. Another, who usually earns £1 a week, got £4 for the last three weeks. Another settler got £6 8s. 6d. for a little over a fortnight. Just at present poor classes of dark gum are realising high prices in comparison with the poor middle class. I think the average earnings are £2 10s. a week, including tucker. The average store bill would be from 12s. to 15s. a week. The prices of stores are as follows: Sugar, wholesale, about 13s. a bag—retail, 3½d. per pound, delivered on the field; flour, 8s. 6d. the 50 lb. bag, delivered on the field; tea, 2s. 4d. per pound, delivered; wax candles, 10d.; tobacco, 6s. 6d.; tinned meat, 13s. the dozen (2 lb.), 1s. 2d. per tin; fresh meat, 4d. per pound, never over that. I have not a field of my own. There is no Native land with gum on it; the gum is on Government land, and on some of the land held by private parties on various tenures from the Government. I hold that no gum-land should be disposed of. I believe it is a great mistake to dispose of any gum-land whatever. I have objected to the sales to Mr. Subritzki, and to the sales to Mr. Shine and others, and to storekeepers at Waiharaha. There are two storekeepers who have taken up land which I am satisfied they never intend to cultivate. Mr. Shine has not started charging yet, but I was informed that he intends the men who dig on it to deal with him. Mr. Shine, I understand, holds 1,100 acres—under what tenure I cannot say. I think that any man should be able to get 50 acres of land for a homestead along seaboard, although it is gum-land, provided that he makes certain improvements. Not all the diggers are spendthrifts, and I think that some of them will be willing not only to take up land, but to make the desired improvements. There should be a clause in the Act preventing any man from monopolizing 1,500 or 2,000 acres of land on the gumfields. I think a man who owns 300 acres should not be allowed to obtain any land on gumfields. I think a man who is allowed to take up gum-land should be permitted to dig the gum, as it will assist him in the perfecting of his homestead; but he should not be allowed to farm out the working of the gum on his land. I believe in settlement on the gumfields, but it should be hedged in by conditions in such a way as to prevent the monopoly in gum-digging. I have a son who can talk Austrian, and I have a thorough experience of them. Last winter I had 250 Austrians working for me at Te Kao. It is Maori land, and I gave the Natives £140 to put a store there. There is a large block of Native land—about 14,000 or 15,000 acres—mostly gum-land, which has formerly been worked by Molesworth and Sayes. I bought them out, and my arrangement with the Natives was that I paid them £40 per annum for the right of erecting a store, and also £7 5s. for each gum-digger I placed on the land, which was restricted to the number of fourteen. Last winter 250 Austrians paid the Natives £7 5s. for twelve months, half being paid down and the rest at intervals. I call them my men because they deal with me, but they are not bound either to sell their gum to me or to buy their provisions from me. My store is the only one there now. There are about fifty Austrians there now, and about ten or fifteen Britishers, and besides these there may be from a hundred to a hundred and fifty Maoris belonging to the place also working there. The Maoris also deal with me. There is adjoining Te Kao a tract of about ten miles in length of Crown land which is also gum-bearing. I have four stores on the gumfields—this one (Waipapakauri), one at Waiharaha, one at Hohoura, and one at Te Kao. I buy 100 lb. per month at Waipapakauri, 300 lb. a month at Waiharaha; I average about 500 lb. a month at Hohoura, and at Te Kao up to lately from 500 lb. to 600 lb. a month. At Waiharaha I may purchase from about a hundred men. I find the Austrians hardworking industrious people, but they take a lot of money away. They live pretty well: a few will be pretty mean, but they only average about 10 per cent. I believe they are impoverishing the country by sending money out of it. The only remedy I see is to put a heavy tax on them for digging gum. About seven months ago I had occasion to purchase gum from the Austrians at Te Kao. I paid them then about £600 in gold. Very soon after they remitted money to their Home-country which I believe amounted to £3,000. They went in my punt to meet the "Paeroa," going to Mongonui under the protection of several of their countrymen. Only two of the party went Home with the money. I have had thousands of pounds' worth of transactions with the Austrians, and have only been let in for 7s. I have not the same tale to tell of our own people. I think the gum trade has a good deal to answer for for the bad state of the roads in this district.

Peter Bowker : I am a Greek, and come from the confines of Austria. I came to Australia in 1884, and to New Zealand in 1895. I came to Wairoa first. I was a sailor, and came in a sailing-vessel. I heard that gum-digging was a better life than a sailor's, so I came here. I never heard that any came under contract—all came of their own free-will. I do not know that the Austrians are increasing in numbers, because many of them are coming and going. Some of them have to go on account of military service, and others to see their parents. I am a storekeeper, and buy gum. I am in partnership with Peter Sulenta, who joined me the

last week, he having bought out my late Greek partner. Most of the Austrians deal with me, they being very dissatisfied with prices charged by other storekeepers. My lowest price is 7s. 6d. per hundredweight for white swamp sugar-gum, and my highest price from £2 2s. to £2 8s. for good hard block gum. The prices that I charge to the Austrians at present are as follows: Sugar, 3½d. per pound; flour, 8s. per 50 lb. bag; candles, 9d.; tea, 2s. to 2s. 3d. per pound; tin of coffee, 2s.; tinned meat, 1s. 2d. Mr. Richards supplies fresh meat, delivered at the camps, at 3½d. per pound. All the younger men would be willing to settle in the colony if suitable blocks of land were offered to them by the Government, but those who have parents and families at Home would not do so. Those who remain at Home have to serve in the army. I believe that if the land-laws were translated into Dalmatian language many of the Austrians would be very glad to avail themselves of the privileges offered by the Government. I should think that as to the proportion of the money saved by the Austrians they would send away £8 out of every £10 earned to support their families. As a storekeeper, I think that an Austrian lives even better than a Britisher—it costs him quite 15s. a week to live. The Austrian earns from about £2 to £2 10s., exclusive of tucker. They work all days, except Sundays, from daylight till dark.

Peter Sulenta: I was born in Makusk, in Dalmatia. I was a labourer, and have not completed my military service. My friends told me about New Zealand. I paid my own passage. I have been here five years, on the gumfields all the time. The prices charged by different storekeepers on different fields are as follow:—

	Yates.	Evans.	Bowker.
Sugar, per pound ...	4½d.	4d.	3½d.
Tea (same brand), per pound ...	4s.	4s. and 3s. 6d.	...
Flour, 50 lb. ...	9s.	9s.	...
Butter (tin) ...	1s. 6d., 1s. 9d. (keg)	1s. 6d.	1s. (keg and tin)
Tinned meat ...	1s. 6d.	1s. 3d.	...
Candles ...	1s.	1s.	...
Coffee, per pound ...	2s.	2s.	...

I was not quite satisfied as to the prices I got for my gum. I was satisfied with the prices I got for white gum at Mr. Yates's, Parengarenga. I left Mr. Evans after first fortnight at Te Kao, and dealt with the Maoris, as I got a better price from them. At Waiharaha I dealt first with Mr. Evans. I dealt with him for a fortnight; then I went to Mr. Bowker: from him I got better prices. At Te Kao I paid £7 5s. for the right to dig gum, but I only stopped there three months. I was sick of Te Kao, and went back to friends at Parengarenga. Mr. Yates charges £2 a year. I have no intention of going Home. If I could have a good piece of land offered to me here I would settle.

George Raday: I am a Dalmatian and an agricultural labourer, working vines and olives in the mountains. I have been one year in New Zealand, gum-digging all the time. I paid my own passage. I earn sometimes £2 and £3 and 10s. I am satisfied with to-day, but do not know what may come to-morrow. If I could make a living on a piece of land contingent to a gumfield I would take it up.

Frederick Russell: I am a gum-digger in this district for over six years. I have grievances in reference to the Austrians. A few years ago a young man could make his 8s. and 10s. a day comfortably. I have known clerks from Auckland earn 8s. and 10s. a day—that is, five and six years ago. He is a good man who can make 6s. a day now, and I do not think he can do it in eight hours. When the Britisher finds gum he will work it, and then sometimes leave it, and then return to it at a more convenient time. But the Austrians, having twenty to forty men in the camp, will work a portion of the field profitably when an ordinary man could not make wages, because they work in a body on the face. I have known instances where they drained a small swamp in fine weather. The settlers in this district would have gone there for months, and made fair wages at a certain season of the year; now the land is being drained and turned over from end to end. It is perfectly useless to try and find gum there now. The swamps are ruined, and, where Natives and settlers could make good wages hooking, the Austrians have worked them with buckets. Five and six men work behind each other, baling out, so as to enable the others to get the gum. They dig square holes, and cut the soil away in steps, baling and working out step by step until the bottom of the hole is reached, or, at all events, a depth into which by leaning forward they can grab the gum under the water with their hands. These holes fill up afterwards in freshes with water and slush, and are very dangerous to others who follow in other seasons, as I myself was nearly thrown into such a hole. This mode of work surely spoils the swamps for further prospecting. Wherever there has been a big crowd of Austrian diggers the price of gum has fallen on that particular field shortly after their arrival. The reason is that, digging on the face, they get inferior gum with the good. They take everything. When a buyer visits a field and buys a camp of gum he samples several sacks from different diggers (Austrians), and that rules the price of gum in that field, except a man has a particularly good sack of gum. If, therefore, Austrians mix the most inferior classes of gum with whatever other gum they find, it will have a tendency of lowering the price of the gum for that particular camp. I also consider that the Austrians subject us to another grievance by putting large quantities of gum in the market, which necessarily tends to depreciate the price. The Austrians generally have one particular day for selling, and one man transacts the business. Two or three men bank the whole of their money, so that the others do not lose time going to Mongonui (nearest bank), and their expenses are defrayed by the whole company. At the present time there are more Britishers making 5s. than 6s. a day. I have known an Austrian make over 10s. a day, including tucker. I have always found them very peaceable,

and they stick to themselves—too much so. I have never known an Austrian to subscribe to sports or charity. One great objection is that they are spoiling the country. We settlers' sons would manage to earn a living and get along decently for years and years, but we are now being driven out of the country to find work in other places. My idea of meeting the difficulty is to insist that each Austrian should become a settler. I should survey gum-lands into small sections, and make each gum-digger (no exception made) a landholder, and have to make application to the Land Office for the land. I should make very stringent rules that the land should be improved and occupied, and in default a severe penalty. The storekeepers on these fields give "starts," as a better class of men come here than at the Wairoa and nearer Auckland. At the Waihopo there were about ten Austrians four years ago, and last winter there were about a hundred and fifty in the district, and a large camp further north. The settlers at Herekino two years ago could find gum two or three hours' ride from their homesteads, so as to enable them to return home for Saturday. Now they have to go away north and different places on the coast. That is because the Austrians have been through the fields. There is no such thing as truck on these northern fields. The storekeepers deal fairly by us. There is no complaint. There is periodical squaring up when we sell our gum. The digger is usually asked whether the amount supplied should be deducted, and the answer is usually "Yes," and the balance is handed over to the seller of the gum.

James Baker : I am a settler, from Herekino. I have been a digger for seven years on this field. There are a number of the Herekino settlers who, like myself, come over here during certain seasons of the year to raise a few pounds to enable us to make further improvements on our holdings. I have listened to the evidence given by Mr. Russell, and I fully agree with everything he has stated. The Austrian difficulty is one which is getting very formidable, and should be dealt with in some way or another.

WAIHARAHĀ, 4TH FEBRUARY, 1898.

Matthew Steed [there were upwards of fifty diggers present]: I am a gum-digger. I may express sentiments that may not be in accord with the rest of you, but I shall give it from my own standpoint, as far as my own interests are concerned. The gum industry has been neglected for many years, and it is now almost too late to think of improving it. I think it is time something should be done; and there are many grievances requiring redressing—not only the Austrian question, but many others. I am sorry that I do not see any Austrians here. I have no fault to find with Austrians as men, but it is their competition with labour, which reduces the price of British labour. The Austrian in the majority of cases takes whatever price is offered him for his gum without comment, and he generally pays for his goods the same way; and when the gum-buyer, whoever he may be, comes along to the camps (I do not mention names) they offer a price—say £2 8s. per hundredweight—and he takes it, although the market-value may be, say, £3. The buyer then comes along to the British camp and offers £2 10s., 2s. in excess of what he has offered the Austrians—that is, the value, the price given to the Austrians; and their gum is quite equal to the British. Again, the Austrian is charged more for the goods than we are, and he takes them, saying nothing. When the Britisher demurs against these things he is told to clear out and deal elsewhere. Your gum will be left on your hands, and perhaps the storekeeper will leave you hungry without stores. If you do not accept the terms laid down by the storekeeper you have to go elsewhere. Practically there is only one store on this field. There are three cash buyers on this field, who go about with a bag over their shoulders and buy gum, promising to pay in six weeks or three months, which means that they pay you when they get paid themselves. Austrians are law-abiding citizens, and no man has a word against them as men. They are a good race of men. To all intents they are supplanting the men with families. Their mode of working is very fair; they will not rush on to your patch and dig the gum away from you. [Remark made here that cases have been known where Austrians have got up earlier in the morning and dug a patch out, before the Britisher, who had left his spade and spear on that patch, had arrived.] The settler cannot move about from place to place, and consequently he is debarred from getting gum, which is all the assistance he has in keeping himself and family. I have given this question great thought, and I have tried sending my gum from the field to Auckland. I have been fairly well treated, and for a time received what was the market-value for the gum, as given in the paper. After a little time some undercurrent must have been at work. I got a lesser price in Auckland than I could get on the field, and below the *Weekly News* quotations, after paying all expenses and freight; therefore I was compelled to come back to the field. There are storekeepers here who say that they prevented the diggers getting a higher price than they would get on the field. It was an arranged matter. Mr. Edmunds, with three or four more, shipped gum at the same time as Mrs. Rose and another did. Mrs. Rose's gum was superior to the others. The storekeepers got 2s. and 3s. per hundredweight more for inferior qualities of gum, and I got less than the storekeeper by 2s. or 3s. Mrs. Rose was informed that those in the trade always got a preference. The gum-digger should receive the actual value of his gum; but he is blocked by the storekeepers. The supply of gum is getting very rapidly exhausted. This ground (area, fifteen square miles of gum-land), five or six hundred men would turn over from end to end in five years. It is not all gum-land; there is nothing on the ranges, and the swamps will have to be drained. The swamps now could only be worked for four months. This is a very dry summer. The rumoured drop in gum prices is because of the large stocks in Auckland now. From the date of the last Commission the price of gum went down, and has never been up again. Gum fluctuates far more to-day than it used to do before the date of the Commission. The dark gum is in greater evidence now than it ever was. The truck system is the greatest trouble we have. It is from my own personal experience. I can produce

my bills. I have offered my gum at Evans's store, at Te Kao. I owed the storekeeper £5 for goods. The gum was bought at £2 12s, when in Mangonui I was offered £3 3s.—expenses of transit paid to Mangonui; but I was so handicapped I could not get that price. There was only one opposition store, kept by a Maori, at Te Kau. The bill and the balance of the money was handed over, and if it was wrong it could be regulated next time. The storekeeper will send up by the bullock-dray three pounds' worth of goods; the order may be £5. "Short of articles"; the order would not be completed. There would be no invoice with the goods, and when the final settlement takes place a bill is supplied with the £3 all lumped together. Storekeepers will not give particulars, but enter it in the bills as goods supplied. The storekeepers having our money, there is no remedy, and we cannot object to the price of goods, as they are not particularised. I am speaking of Evans's store, at Te Kao, only. [The following men gave in their names, stating that Joe Evans, storekeeper at Waipapakauri, held balances of their money, and they could not get proper settlement: Ross Taylor, J. D. Williams, Charles Deapces, James Lombra, John Roache.] If a man had money in the storekeeper's hands, and did not choose to take the prices that were offered by the storekeeper for his gum, if he went to sell it to another store the storekeeper would say, "Take it to the man you buy your goods from." Once in the storekeeper's hands you are bound to sell your gum and get your provisions from him, and accept his prices. The men lose time if they come down to the store to ask for their rights from the storekeepers in regard to the items of their bills. This game is carried on until they are tired out, and they quietly submit. Storekeepers give "starts"; they prefer doing so, in order to get hold of the digger. [Twenty-five present corroborated these statements with regard to the truck system.] The freight to this place is £1 10s. per ton, landed at the store. The following are the prices of some stores: Sugar, 4d.; tea, 2s. 6d. to 3s.; flour, 9s. for 50 lb. bag; candles, 1s.; tobacco, 6s. 6d. to 7s. 6d.; tinned meat (2 lb.), 1s. 3d.; fresh meat, 4d.; butter, 1s. 3d. to 1s. 9d. per pound; potatoes, 18s. 8d. per hundredweight. There is reason to believe that the storekeepers have different prices for different people. If a man is supposed to be able to pay he will have to pay higher than those who are supposed to be bad marks.

J. D. Williams: I am a gum-digger on the Waiharaha field. The storekeepers take advantage of the diggers in buying their gum. They come and buy the gum on the field, perhaps with no money with them. Sometimes they pay by cheque, and you have to go down to the hotel (Waipapakauri) to get your money, and the chances are you come away without any at all. Storekeepers do not intend that a digger shall leave the field with a shilling in his possession. If your bill at the store is not a big one he will not buy your gum, leaving it on your hands on purpose to punish you for not having dealt more largely with him. When you send your gum to the grocer in Auckland a digger has to take part in goods, but he gives a higher price for the gum than by selling it direct to the merchants, who only give you market-price at the time. When the digger gets his stores from the grocer in town he has great difficulty in getting them ashore, as there is no wharf, and there is great difficulty in landing goods, as the storekeepers own the boats. This shows how storekeepers work against the diggers. I consider the storekeepers treat us very unfairly. The North is not adapted for settlement.

HOHOURA.

Joidah Edward Thomas: I am a digger, and a settler under a Government lease. I have been on the land for ten years. I think the most serious thing for us thirty families settled on the land from the Government is that not one of us could possibly live on his land without having the gum to work. We came here without capital, improving our places, and when the flour-bag ran short we fell back upon the gum. If the Austrians come on to the place we cannot compete with them; if many come the gum will be done very quickly, and, if the supply exceeds the demand, down the price goes. There are about three hundred Austrians in the Waihopa district. A few came four years ago, and if they keep on increasing at the rate they are we shall have to leave the place. Their style of digging is quite different from the Britishers, who dig independently, but the Austrians work on the face, and dig everything out of the ground before them. They work long hours—from daybreak till dark. They are law-abiding men. They do not enter into our social life in any way. They never subscribe to charities, to my knowledge, but simply contribute to the general revenue in as far as the provisions they require. We think, before any alien should be allowed to dig gum, he should be naturalised. Another suggestion is that they should be made to take up land for settlement, and show that they are *bonâ fide* settlers. They come with the avowed intention of getting so much money, and they only spend enough money to keep body and soul together, and when they have got their money they clear out. Their average earnings come to £1 10s., with their tucker. [This was corroborated by some of the other witnesses who were present.]

Thomas Thatcher: I was employed by Mr. Tynan, one of the gum-buyers at Waihopa. There were about seventy Austrians. Their average for nine months was £10 a month, clear of tucker, tucker coming to 9s. a week. The reason of this was that it was winter time, and they could get in the swamps 6 ft. and 10 ft. deep. They also worked the summer fields in the winter time. I think it wrong on the part of the Government to dispose by lease or purchase of any lands containing gum. It should be kept as a right for the people at large. It opens the way to spoliation. I could take you on to gum-land held by private individuals to the extent of 300 acres, which is full of gum, taken up by one man. It is held by Joseph Webb, of Kaimanawa. [Re disposal by lease of gum-lands, all those present (about forty in number) agreed that Government should not dispose of it.] I think the Land Act should be amended so as to reduce the time which has now to expire before a man applying for land can obtain possession of it. In many instances it has taken eighteen months' delay between the time of application and the granting of it. A great number of men are thus prevented from taking up sections. [The witness was recalled later on.]

William Wade : I have been a gum-digger for three years in this district. Since I came to this district there has been nothing else but the truck system. Storekeepers supply goods, and take your gum in exchange, and pay over and above the amount that is owing to you. As to the prices diggers have to pay on this field for provisions, Mr. Tynan charges for onions 4½d. to 5d. per pound; they can be bought for ¾d. and ½d. per pound in the Auckland market. Jam can be bought in Auckland for 2s. 9d. a dozen tins, and I pay 7s. a dozen here for the same class of jam. Bag of sugar (56 lb.), 18s. 8d. Flour, 8s. 6d. for 50 lb.; in Auckland, 10s. 6d. a hundredweight. Tea, 2s. 6d.; butter, 1s. 3d. per pound; potatoes, £4 a ton in Auckland, and 12s. a hundredweight here; tinned meat, 14s. a dozen here, £1 8s. a case in Auckland. As to the Austrians, my suggestion is to tax them, so that they shall not come here in too great numbers. I would put a poll-tax on them. If they become settlers, let them work gum, and if they earn weekly wages, let them come. At Te Kao, where there are two or three hundred at work, I have seen them myself go alongside another digger who had found some gum, and take it away from him.

Frank Urwyn : I am a gum-digger and settler on freehold of five years in the district. I struck a bit of gum, and fourteen Austrians came right round me working towards me, and worked me clean out of it in a ring. If the Austrians go on increasing at the same rate that they have done lately, in a few years there will be nothing but Austrians here; the Britishers will be driven from the field. There are three stores on this field, and we are practically free to deal wherever we like. If I give Mr. Evans an order, he buys my gum, he brings the goods to my *whare*, and gives me cash for the balance. I can get more for my gum here than I can in town. Myself and Mr. Thomas made the attempt to dispose of gum in town. We explained the position to Mr. Edmunds, and he thought it was a very good plan to follow; but a while after he made inquiries whether the gum in the schooner "Atalanta" came down from here, and whether it was ours, and, being told that it was so, he expressed his regret that he could not deal with us. This, to our minds, shows clearly that there are some underhand workings in the purchase of gum, which fixes the producer and makes it impossible for him to dispose of it to any one else except the storekeeper on the ground.

Thomas Thatcher (recalled) : I am a Government leaseholder next to Mr. Urwyn. There was a man who sent gum to town, and he got a very poor price for it. I asked a storekeeper whether he could stop a man getting a good price for his gum, and he said he could write to the man that received the gum in Auckland, and, if that gum merchant gave this digger the same price that he was offering, he would stop his trade; consequently the poor digger always has to suffer, and is in the hands of the storekeeper. A digger informed me a little time ago that a storekeeper came round buying gum. He gives credit for the stores you owed, and, if you have money over and above, you receive it. A man whose gum was worth more than what the storekeeper offered refused to sell it. His tucker was stopped, and when a man's tucker is stopped what can a man do? It being two hundred miles from Auckland, he is in the hands of the storekeepers, and must cave in. I know an Austrian who sent away £136 in nine months. He told me that capitalists in Austria advance a man £26 to pay for his passage and get him on the fields, and within twelve months he has got to return that £26, and £6 interest. The capitalist keeps that £6 profit, and advances that sum (£26) to another one recommended by the first Austrian. There might be ten men sending away money, and these sums are simply fetching more men into the country. If ten men sent out £320, that fetches ten more; and of that, £260 is used to bring out more men, and the surplus used to bring out still more. I have every reason to believe that this is the general system which is in work amongst the Austrians, and which accounts for the great number flooding the country. I do not believe the Austrians come out here under contract to any person. Last winter the Austrians were working the Kimberley Flat because it was so rich, and we fear that next winter they will be on R.S.T. Flat and Shooting-gallery Flat, and if these are worked out we shall have to clear out, because there is no other gum for us. They are only a quarter of a mile away now, and I suppose they will be soon on me. If a man gets on a bit of gum they will swarm around him, and he is powerless to resist them taking the gum. The Britishers and the Austrians do not clash, but the Austrians have had rows amongst themselves. Every year they receive a letter from the Austrian authorities to inform them about their military service. If they receive a letter marked in red they must return at once to join the army, or be outlawed. I object strongly to the Government throwing open land containing gum. I agree with what Mr. Thomas said about the leasing of gum-lands. Whenever there is a doubt as to whether land is gum-land or not the opinion of the gum-diggers on that particular field should be taken before the Land Board throws open the land for selection. I think the opinion of the gum-diggers would be better than that of the Ranger, or County Clerk, or surveyors. [Those present, being representatives of the various fields in this district, indorsed generally the opinions expressed by the witnesses who had given evidence.]

WAIHOPIA.

Albion Walter Cheeseman : I have been a gum-digger only for the last four years. I was digging at Otaika, Mangere, Pipiwai. I was bush-working in the Wairoa for the Kauri Timber Company. We tried to get up a petition amongst the gum-diggers between Mangonui and Parengarenga (British section), but want of funds prevented that being carried out fully. We sent a petition to Mr. Houston, our member, to be presented to Parliament, and it was signed by 290 British diggers. The settlers think, if something is not done at once to stop the Austrians digging, the gum industry will be a thing of the past. The settlers cannot make a living owing to the Austrians. There were only a few Austrians here three years ago, and now there are about forty Austrians between Hohoura and Te Kao, but there were about two hundred at Te Kao twelve months ago. Most of the Austrians that were at Te Kao migrated to Mangawhai. Amongst these I should think there were a lot of new arrivals at Te Kao in the last year. I would suggest that the Government should

reserve about two-thirds of the gum-land for British subjects only. At Te Kao the gumfields are Maori lands, and they charge £7 10s. per annum, which two hundred Austrians paid readily when they came to the district. I believe the Austrians offered Subritski £2,000 for the right to dig gum on his land at Awanui for the term of two years. The land comprised 3,000 acres. Mr. Subritski declined the offer. The savings of the Austrians have been derived from the gum-lands. To show what ready cash the Austrians have, six men were robbed in the camp close by here of £156. I give this as a sample of the good financial position the Austrians are in. I know of a case (last Saturday) where an Austrian showed me his bill to check it, and he had £12 2s. 6d. of a balance after paying for tucker. This was the result of three weeks' digging. An Englishman could not make the same, as his tucker-bill would be larger. In the case referred to above his tucker-bill amounted to £2 odd for one month. A bachelor's bill would be about £3 10s. or £4 for the same period. Last month we paid 4d. for fresh meat; flour, 17s. per cwt.; tea, 2s. 4d. the pound; butter, 1s. 3d.; potatoes, 12s.; tinned meat, 1s. 2d. the 2 lb. tin; sausages, 1s. 4d.; sugar, 15s. a bag; candles, 10d. I sell my gum to, and buy my stores from, Mr. Tynan while digging on his land. I paid three years ago £4 per annum royalty for the privilege of digging on Tynan's, but I pay nothing now, as the royalty has been discontinued. I am perfectly satisfied with my dealings with Mr. Tynan. Mr. Tynan is supposed to be giving the best price for gum in the north fields, and I have not heard any of the men complain about the prices paid by him. I do not know whether the Austrians work on the same terms as the British gum-diggers, but I suppose they do. I object to the Austrians from a settler's point of view, because these settlers were dependent upon the gum that might be got in the neighbourhood of their holdings. There is absolutely nothing left for them, and they have to shift. The Austrians, as a rule, take their notions of where gum is to be found from the prospecting of the Britishers, and often reap a harvest themselves when it should fall to the digger who discovered the payable spots. This has happened to myself. Where I left my gum-spear and spade in the evening I found Austrians at work in the morning, within 8 ft. or 9 ft. from the very spot where I was digging. Amongst the Britishers there is an understood code of honour that no one should come to within, say, 50 ft. or 60 ft. of another gum-digger's workings. There is more gum now put into the market than can be absorbed, and hence there must be a decrease in the price. There are no complaints about the truck system here. I earn £3 a week without tucker, working twelve to fourteen hours a day. My wife does the scraping. I think it right and proper that settlement should be encouraged amongst the Britishers. As regards the Austrians, I do not think they will settle in this country. I have spoken to a number of them, and they all express their intention to return Home again. I think a large majority of the Austrians here are married men. It is my opinion that the primary object of their sending the first money Home is to repay advances made to them for passages out here. They assist one another in this repayment.

John McLee Tynan: I am a storekeeper and gum-buyer, from twelve to fourteen years. There are private lands and Crown lands here on which gum is worked. Mrs. Tynan is owner of a large block of private land. I allow a limited number of diggers on it. There are no specific conditions except the selling of their gum and dealing with me while working on it. I do not make any difference in the prices I pay for gum which comes from private property or from Crown lands. I buy gum according to the best of my judgment. I examine it, and pay according to its appearance. I get rid of the bad marks as soon as possible. As far as the Austrians are concerned, I would be content to trust them with the key of my store, and if they told me what they had taken out I would be satisfied. Britishers, as a whole, I am sorry to say, are not so honest as Austrians. I make no distinction between Austrians and Britishers in digging on my private land. I produce my store-book, and quote a few samples of the earnings of the Austrians. I will take last November: Three of the oldest hands received £31 15s. 7d., clear of tucker, for one month. The same three men for the following month (which was three days shorter) received £19 0s. 8d. I do not pay by cheque, but in coin and notes. On the 9th December I paid four men £30 10s. 3d. for one month's work, clear of tucker. For the next month for the same four men it came to exactly the same. This is the smallest amount they have had yet for a month's work, as the gum has come down in price, and the quality is inferior. As regards their tucker-bill, the account for two Austrians was a little over £7 for the month, which would be about 17s. 6d. The general run is about 15s. Two or three of the old ones live on rice. The sum total of their weekly expenses will be about 7s. 6d. According to my books the bulk of the Austrians live quite as well as the Britishers. I have remitted £32 on several occasions for a number of Austrians, but have never made a second remittance for the same men and of the same amount. I do not know what this exact amount was for. It may have been for the repayment of the passage-money and interest. In my opinion, the gum-digging will last for years to come, as the price will rise as the article gets scarcer. I used to make roads with gum I am dealing with and sending away now. I have no objection to the Austrians if they would be settlers; they are sending money away, and giving nothing in return. I cannot see any remedy that can be applied, excepting that they should not be allowed to dig gum until they have been twelve months in the colony. A law in that direction would stop the influx of the Austrians. They should have to show that they have been in the colony for twelve months. I do not see why any one digging gum should be allowed to do so without contributing something towards the revenue in the shape of royalty or license-fee. The prices given by Mr. Cheeseman are very nearly correct, but of course the market fluctuates. If a digger deals with me for cash it makes a great difference to him. I charge lower prices for cash. We expect to make a profit on the sale of goods from 25 to 30 per cent. after all expenses are paid. All the goods are delivered on the field. I sent a case of gum up to an outside agent, with the view of ascertaining the market-value, and received 12s. per hundredweight, when my agents got me £1 8s. to £1 10s. In Auckland some men can sell one class of gum and do well, while they are not able to sell other classes of gum. We are buying from 18 to 20 tons a month, and my agent in Auckland gets 2½ per cent. on the sales. I believe my

prices for gum do not vary so much as other storekeepers'. I have communication with my agent in Auckland as to the quantities of gum I am shipping; thereupon he insures this gum, and this gum does not always go to the broker's warehouse, but is very often disposed of before the vessel arrives, and then goes straight to the buyer. I am enabled to do this because I have been careful with the sorting of my gum, and the purchasers in Auckland know exactly when the particular qualities are mentioned. If I shipped my gum myself I do not believe I would get the same price that other known exporters would obtain in the London market. There is something at work which I cannot explain. It invariably makes it a loss to a cash exporter if he deals direct with London. I have never given notice about gum going to town belonging to any man, so as to prevent him getting market-price. It is not a wise thing to dispose of all gum-lands, as they absorb surplus labour, which, no doubt, would be thrown on the Charitable Aid Boards, but I see no objection to disposal of gum-lands to *bonâ fide* settlers in sections of from 25 to 50 acres; but for the roaming gum-digger ample provision should be made by reserving tracts of gum-land.

TE KAO, 5TH FEBRUARY, 1898.

Selwyn Heyward (a Native of Warahi, living on the boundary of the Native and Crown land): I am a gum-digger, and own some land, and farm it. I do not like the Austrians. I consider the Austrians are a danger in this district, on account of their bad behaviour to the Native women. They have made advances to a number of girls, and some have behaved in a very indecent manner towards them. It has had the effect of frightening our girls and women to go anywhere about where they may be endangered by encounters with the Austrians. Our girls are frightened to go to school; many keep away from it on that account, having to pass the Austrian camp, and some of them being frightened back by their advances. These complaints were strongest when the Austrians were camped alongside the road to the school.

Matthew Tupuni, Native (interpreted by E. Evans): I am one of the chief Natives at Te Kao, and interested in this land. We charged diggers £7 5s. for permission to dig on our land, but a smaller charge is made now. I cannot tell what it is exactly. I have nothing against the Austrians. If they have the money to pay for the license, their money is as good as anybody else's. There have been complaints against the Austrians on account of their behaviour towards our women. My daughter was one of those who was stopped and indecently spoken to by an Austrian, who exposed his person. I went to remonstrate, and one after the other said that it was not him who did it, and the matter had been allowed to drop. I do not know of any other special cases. Another complaint I have against them is that they dig gum on the Cemetery Reserve. There had been a piece of ground specially marked off, and which was considered *tapu*, and notices were posted up at the corners, in the Austrian language, warning them not to dig within the boundary of this land; but they ignored them, and dug gum within that *tapu* ground. At that time there were a hundred and fifty Austrians here, and nothing could be done to bring them to justice. One of the Austrians, who has been in the country for nine years, is married to a Maori woman.

Edward Evans: I am a storekeeper at Te Kao, at my father's store. There are about fifty Maoris dealing with me, and about twenty-five Austrians. This is a winter field, and most of them have left. There is a large extent of winter ground about here, and the likelihood is that a good many of them will come back again. I have often heard Maoris complain about the Austrians' behaviour towards their women. I have heard of them waylaying girls while on their way to school and indecently exposing themselves, but I did not hear of any personal attack beyond the one, who ended by hanging himself on board the "Clansman" under charge of a policeman. As far as dealing with our stores, the Austrians pay for everything they get, and never try to back out of an obligation, except in the case of one man, who went away without paying his account, amounting to £4 15s. Although they may sell their gum to other storekeepers, they nevertheless deal with me, and I have no hesitation in trusting them, feeling assured that they will pay their way. This gumfield belongs to the Maoris. We have a store here, for which we pay the Maoris £40 per annum. The diggers used to pay a royalty of £7 5s., but for this last half-year only £1 10s. has been charged. As far as I am concerned, I would as soon see the Austrians as any other gum-diggers, as I can do a sounder business with them. I am of opinion that, although the gum is speedily worked by the Austrians, and is soon exhausted, still they will be digging for the next twenty-five years. There is only one British digger on Te Kao Block at present. I do not think the Austrians have sent them away, as it is a winter field. Maori women would not now, as they used to do, travel alone on foot, because they are frightened of the Austrians. I never heard of a case of a Maori woman living with an Austrian as far as I know; they do not want to have anything to do with them.

George Hadfield (Maori): I object to the Austrians, because my wife is very frightened of them. I often go away from home, and have to leave my wife, and she is very frightened of the Austrians. Formerly my wife went out digging gum, but now she will not do so, for fear of the Austrians; she will only go out with me. This is the case with all the other Maori women, they being afraid of the Austrians insulting them. The Austrians are clearing the gum out of the fields.

PARENGARENGA, 6TH FEBRUARY, 1898.

Nicolas Cortula: I am a Dalmatian, and eighteen years of age. I have been in the country about three years, gum-digging. I came straight out from Austria. None of my relations came out here. Some friends recommended me to come out who had been digging here before. My

father paid my passage-money, and I have returned it to him. I came out with ten others. Those that came out with me paid their passage-money by the help of some of their friends, and some paid for themselves. Most of my countrymen are coming out under the same conditions as I did—repaying the passage-money advanced to them. There are about thirty here who come from my part of the country, about twenty miles around. I am just able to make my tucker, which comes to £2 10s., and sometimes £3, a month. I make from £3 to £7 per month. We work together, and divide the proceeds. There are nine men in my camp. Sometimes we work together, and other times we work alone. I have sent home about £80 in the three years. My passage-money cost from £25 to £30. I sent the rest to my father; but I do not work so hard now, and shall not send any more money Home. Every one of my countrymen speaks English a little. I like this country best, and do not intend going Home. The married men will go back, but the young fellows I do not think will go back. If a call to the army was sent to me I would tear it up.

John Bunteridge : I am a sailor and soldier, and unmarried. I come from the same place as last witness. I have been here five years. I have been digging gum. I came direct from Home to New Zealand. My friends advised me to come out here. I came here as a free man. I was at Dargaville for three years. I worked at Mitchelson's, at Kawarua. I came out in a party of twenty-five, and we went to the Wairoa first. Friends advanced our passage-money. Some of our friends met us at Auckland to take us up to the Wairoa. We paid our own passages there. We paid no royalty on Mitchelson's lease, but we had to deal with him—selling gum and buying stores. I have only recommended one friend to come here. I got tired of the Wairoa, and came here. I got from $\frac{3}{4}$ cwt. to 1 cwt. of gum at Mitchelson's per week. I make the same here. Mr. Yates pays from £2 10s. to £2 16s. per hundredweight. I spend all my money. I have only sent Home £25; that was two years after my arrival here. It was a cousin of mine who advanced the £25. Some of us make £1 a week and some £1 10s. a week above tucker.

PARENGARENGA, 7TH FEBRUARY, 1898.

Gustavus Yates : I have been gum-buyer to my father since 1885. I was born here. I know the gum-trade in all its branches. The quantity of gum won is not falling off; more has been obtained in the last three years, as we have more men on. The prices are better for inferior gum lately. I am selling gum now I could not sell years ago—two or three grades we used to burn before. Britishers earn £5 to £6 a month, tucker not deducted. Austrians average from £7 to £8, clear of tucker. They make more money than the Britishers, as they work longer hours, and waste no time. They work together in small parties, not in large ones, two or three together. Sometimes they divide their gum, and sometimes each holds his own independently. The Austrians make a face, and stick at it, and take every bit of gum; that is why the Britishers do not like them. Britishers do not like digging after them. Austrians do not live as well as the Britishers as a whole. A Britisher's tucker comes to 15s. a week here; an Austrian's about 10s. Flour, lard, rice, and salt are their principal articles of diet. They drink more coffee than tea. They save a lot of money. Most of them send it Home. There are a lot who bank it in the post-office bank at Auckland. The Commissioners in yesterday's examination picked out two Austrians who spoke English best, and they stated that they saved no money. This was a fact, the reason being that these two Austrians, unlike the others, were much given to wasting their money, and working only half their time. There are about eighty Austrians here. It is very hard to tell the exact number, as one man will give the order for others. We had more last winter. When the wet weather sets in we look forward to a large influx of Austrians. I would not be surprised to see two hundred come, in addition to those we have. They arrive in twenties and thirties. The winter before last we must have had close on two hundred and fifty. They are industrious and peaceable men. They would make good settlers. We have only about fifteen Britishers and other foreigners. There would be about one hundred Maoris, but they do not work half their time. It would amount to about thirty Maoris working steadily. This year we have had altogether, including Maoris, an average of close on two hundred working on the fields. We exported about 8 tons a week during the last year. We hold 56,678 acres. Besides this, the adjoining land is Native land, with the exception of a part towards the Cape, which is Crown land. All the adjoining lands are practically gum-lands. We do not charge rent or royalty to gum-diggers for working on our field. The Natives on the adjoining lands charge a royalty of £2 per annum, and for digging on other Native lands they charge a royalty of 2s. per hundredweight. Any profit we make is on stores or in buying gum. The diggers do not complain about prices, either on gum or provisions. Sometimes diggers stop here for a time; they get tired and leave, and then come back again. I think it is rather hard upon the British gum-digger to be elbowed aside by the Austrians. If I was a digger I should probably think so myself. My father for a long time objected to allow any Austrians coming on to the field, his reason being that they are like a flock of sheep—once they start to come we may be flooded out by them. I think that may be the case. We can regulate it as far as our own freehold is concerned, but not in regard to the Native lands or Crown lands. This field was supposed to be worked out ten years ago. There were men here then who could not earn their tucker. Now we export more gum than before. More gum has been sent away in the last four years than in the fifteen years previously. Austrians can get gum where the Britishers would not, and I believe that some parts of the field now worked by the Austrians would not be touched by Britishers. Regarding the character of the Austrians, there is much to be said in their favour—for instance, if one amongst them is sick or in trouble the others immediately assist him. If he has to be brought to town to the hospital they depute one or two of their number to bring him

down, and all expenses are defrayed by his countrymen; and I believe that if a sick man should be in debt his people would square up his account. They are very good in giving help to one another. If a great number were to be here, and the gum industry found not to pay them any longer, I feel assured they would find the money among themselves and send those home, rather than let them go on the charitable aid here. The explanation for the small weekly accounts for goods for these Austrians may be the fact that they are keeping fowls in some of the camps. There are thirty and forty fowls in each camp, from which they derive a large number of eggs. The keeping of fowls in the Austrians' camps is quite an established custom. The Austrians are large buyers of chick-wheat and other fowl-feed, and the quantity of eggs they must obtain from their fowls is no doubt considerable.

Samuel Yates: I am a runholder, gum-buyer, and storekeeper at Parengarenga. Native lands here are in course of adjudication, as you are aware. *Re* the Te Kao block, 49,000 acres: These lands have been adjudicated upon by the Native Land Court, but an appeal has been made by some of the Natives interested therein. The boundaries, therefore, determined upon by the last Court are subject to alteration and amendment. The unsatisfactory state of affairs now is as follows: As the decision is still pending, outside Natives appear on the scene and dig gum. Those whose right to the land has been acknowledged attempt to stop them from doing so. Their reply is "Show us your title to the land." This they cannot do, and therefore the whole of the ground can now be worked without paying anything in the shape of license or royalties to the Natives. The Natives interested—Herbert Robson and Ngakura—in order to put a stop to these proceedings are now applying to the Native Land Court Judge for an injunction to stop all Natives (even the Natives that own the land, and also the Austrians who have paid a license-fee to them) from digging gum. I would suggest that the Government should purchase this block as a way out of the difficulty. Considering that 90,000 acres was sold some thirty-five years ago from 2d. to 4d., I believe this land under consideration can be obtained at a very small cost, as a great deal of the gum has been taken out of it. They will be glad to sell, in my opinion, as there are so many Natives interested in it. 19,000 acres belong to Hemitaitimu and others. There would be no difficulty about them; but there are 30,000 acres across towards Te Kao, in which about five hundred Natives are interested, and I have advised them to sell in order to get rid of their liability to future taxation.

George Gosdin: I have been a gum-digger for one year and four months, and have dug elsewhere. The Austrians are spoiling the gum-fields, because they are coming in such numbers, and work in an exhaustive manner, and they send the money earned out of the colony. I am the only Britisher in the camp I am working in. There are eleven Austrians, one Frenchman, and myself in the camp close together. Some of the Austrians live rough, but a few live well. One of them lives better than I could, going in for more luxuries. The Austrians earn more and save more. Some of them scrape gum till two or three in the morning, and they go out at daylight. Austrians have a great many holidays—saints' days, &c.; they had two last week. The Britishers work eight hours a day, but the Austrian works as long as he can see. We are getting light-brown gum embedded in dark-coloured rock, either sandstone or soft formation, from 1 ft. to 1½ ft. deep. As to the gum, I think the prices are pretty fair; but the prices charged for provisions are high. Fresh meat is 4d. per pound; potatoes, 12s. per hundredweight; flour, 18s. per hundredweight; tea, 3s. per pound; sugar, 5d.; butter, 1s. 6d. to 1s. 9d. The gumfields will last for years if there is a sale for the inferior classes of gum. Some of the wandering diggers would settle if Government would offer them land, and if they could unite it with gum-digging a few would become permanent. I know of two Austrians who have married within the colony, and have settled down—one at Te Kao and the other at Hohoura. If others could be induced to settle I think they would be good settlers. Now they only help to swell the wandering population. Since I came here there have been three hundred Austrians working on this field at the same time. There is no difficulty in getting your money from Mr. Yates; if £1,000 were due to you you could get it to-morrow. There is no semblance of the truck system. The Austrians get about ¼ cwt. of gum a week; every one of them would at least clear £1 10s. Some of them (three in a tent) have taken £40 a month.

James Menzies: I have been storekeeper for Mr. S. Yates for two years. I produce my ledger, and you can pick out what accounts you like: Three men (Austrians), food for one month, £4 18s. 1d., with another 16s. to 18s. for meat; value of the gum dug during the month, £20 2s. 4d. In the succeeding month, the goods were £5 14s. 3d., and 18s. for meat, and the gum they obtained during that month amounted to £31 13s. 4d. Another party of three Austrians paid for goods one month £7 14s. 5d.; no meat; value of gum, £30. In the previous month they obtained gum to the value £40 15s. 5d. The same party in six weeks paid £5 13s. 3d. for stores; value of gum £62. Another Austrian's account for stores, £2 10s. 2d.; 8s. for meat; earned £13 14s. 10d. Next month, 4s. 8d. for stores, and gum to the value of £11 17s. Next month £1 15s. 11d. for stores; value of gum, £13 11s. Next month, £3 11s. for goods; and gum £17 4s. 9d. This man must have obtained additional provisions elsewhere. He is one of the best diggers. The stores of another Austrian who works by himself came to £2 17s. 3d.; value of his gum, £4 8s. 4d. Next month his goods come to £1 3s. 8d., and 10s. for fresh meat; value of gum, £5 14s. Next month his goods came to £1 16s. 4d.; gum £6 10s. Next six weeks: goods, £2 5s. 3d.; gum, £11 9s. 5d. This is the account of a hard-working Britisher for about same period as above: For two months, goods came to £9 4s. 6d., including meat; value of gum, £28 15s. For next month: cost of goods, £3 8s. 4d. including meat; gum, £13 16s. Last month, goods, £3 4s. 9d.; value of gum, £18 18s. Another British digger, for one month: Goods, including meat, £1 10s. 9d.; value of gum, £1 14s. 6d. Following month, £2 5s. for goods, and his gum came to £4 6s. 6d. For next three months: Goods, £6 14s. 8d.; value of gum, £3 3s. For the next month, £2 1s. for goods; and gum, £3 3s. 10d. Another Britisher for three months:

Goods, £12 6s., including meat; value of gum, £14 8s. For five weeks: Goods, £2 14s. 9d., and value of gum, £16 7s. Fifty-eight remittances, amounting to £1,277 9s. passed through my hands between the 13th September and to-day for Austrians, but a greater number of the Austrians are doing their own business, either remitting the money directly, or deputing someone to proceed to Mangonui, and get out remittances for a number of others who will trust them.

MANGONUI, 9TH FEBRUARY, 1898.

John Thompson Jellibrand: I am a Government leaseholder at Ohia, Mangonui district. I am acquainted with the gum-digging industry. In my vicinity there are forty or fifty diggers, chiefly Maoris; no Austrians. All the settlers—twelve or fourteen—resident in the neighbourhood are digging gum. We could not keep our holdings if it was not for the gum. The field has a diameter of fifteen miles. The gum is not first-class, and the field is almost untouched in comparison with other fields. My proposition made before the previous Commission was that any Austrian arriving on a field should be made to go to the nearest post-office, accompanied by two residents, and there take oath that he had been in the country for two years. He was then to receive a certificate for a certain sum, and he would have the right to dig gum for life. It is now too late for this to be carried out. My proposition now is that every man who is to be allowed to dig gum should have a residential qualification—that is, he should take up a certain quantity of land, and hold it. In this case the residents would have to unite amongst themselves to see that non-residents were not allowed to dig. My other alternative, which would perhaps not apply to every place, is that a patch of gum-land containing about 300 acres should be set aside for the exclusive use of the settlers adjoining. It would be possible to keep an eye on this without too great expense for inspection. The settlers would do that themselves. I have been deputed to represent my fellow-settlers, especially as regards the setting-aside of this particular piece of land for ourselves. I am aware that the truck system is in force in many districts; but it does not apply to gum-diggers only, almost all labouring men are subject to this system. They understand, without being told, that if they do not deal with certain stores their employment is very precarious and uncertain. The only good that is derived out of the kauri-gum industry for the State is that gained by those few settlers who, digging gum, take the price of it to help to improve the value of their sections. The productive part of the industry must be conserved for the people who are going to do some good—that is to say, not for those who send it out of the country in hard cash as the Austrians do, nor for those who waste it by drinking, nor for those wholly in the hands of the storekeepers, as many British diggers are, but only for settlers or people who show their willingness to become settlers, whether they be Britishers or Austrians.

Robert Morrow Houston: I am member of the House of Representatives for the Mangonui District, Chairman of the County Council, storekeeper, and gum-buyer. I have been twenty-three years in this district, and am thoroughly well acquainted with the industry. As a member I have knowledge of grievances which do not apply to this particular district, but to others. Those that apply to this district are as follows: There are two kinds of fields—private fields and the public fields. The former are those that are leased by private individuals from private owners. There is no such thing as leasing fields from Government now. There are no large tracts in this part of the electorate owned by private individuals, but in the Wairoa there are,—some living here and some in the Old Country. These are leased to the highest bidder, generally by tender. They have the exclusive right to the gum on these fields, and the general arrangement is by written agreement that any person digging gum on these fields must take all their stores from that storekeeper, and sell all their gum to that storekeeper, and I have seen one of these written agreements held by a gum-digger. Under it the person leasing the field could claim his gum, no matter where he dug during the twelve months. This, of course, was illegal, as a case was tried some time ago, and, of course, it failed. He had no right to claim the gum the digger got in other fields. Another complaint was that the diggers had to pay too high a price for their stores, and did not get a fair value for their gum. The kind of gum they were digging at that time was gum I do not deal in myself; it was black gum. I do not know anything about the fair market price of it. I have not heard any complaints about the weights and scales being wrong; there have been no complaints to me about that. I know myself years ago the weights were of the most primitive kind. I have seen a large stone used, and this stone would decrease or increase at the option of the purchaser. I have never heard any complaints in this district as regards the truck system on the gumfields. I am quite satisfied of this, as far as my knowledge goes: there is no such thing on the open fields, but it is so as regards the private fields. At the same time I firmly believe that if an agreement is entered into between man and man—storekeeper and gum-digger—the storekeeper advancing the digger goods on condition that he deals with him, I say there is nothing dishonest in that, notwithstanding the Act. The digger is entitled to his balance most decidedly. If he gets advances from the storekeeper, I say, in all justice to all parties, he is entitled to pay that amount when he gets that gum, and the storekeeper is in duty bound to pay the balance to the digger after the stores are deducted. I have avoided giving cheques as far as I can, there being no bank here. I get the cash by the steamer, but sometimes it happens I do not have sufficient. I have made it a rule myself to pay for gum in cash. I have been obliged at times to pay by cheque. We used to have periodical sales of gum, weekly or monthly. We would, perhaps, have 3 tons to 20 tons of gum to deal with, and I would have the cash lying in my store for two or three weeks to buy the gum. Two buyers were here, and the Maoris used to auction it, and get the best prices for it. It was all Native trade at that time. The Austrians on the fields are a great evil at the present time. Everything else sinks into insignificance. I can come to no other conclusion. In

a few years the gum industry in the North will be destroyed by the Austrians. I have felt it so much that I have refused on all occasions to give an Austrian a start. I have never refused a Britisher. The Austrians are still increasing; every steamer brings more. They are simply taking away what can never be returned, and they are not spending the money in the country. I am quite satisfied that the Government could grant the Commissioners information as to how much money has been sent out of this district in the last nine months. I am sure it will amount to several thousand pounds. From here north we are those thousands poorer. The greatest evil is in so far as it affects the small settlers. A large majority of those engaged in the gumfields at the present time are settlers who have taken up small portions of land, 50 to 100 acres in extent. After felling a piece of bush, they can do nothing until the burning-time comes, and they go on the fields and earn a few pounds. They have their burn, and with the money earned by the gum they put in grass-seed, or do some fencing. If the Austrians glean all the gum the settlers are unable to effect their improvements. There is a great absence of public money spent here on public works, and the settlers have only the gum to depend on. From hearsay, most of the storekeepers give the Austrians a good character. I have no dealings with them, except a few casual sales. I would suggest that in the vicinity of gumfields small sections of land be set apart for gum-diggers, including Austrians, and that they be compelled to settle on these sections, and improve them, and erect a dwelling-place, and spend a certain sum on improvements. That is one suggestion. It may not be practical, but nearly always in the vicinity of gumfields there are small patches which would be good for small gardens. Another suggestion is that gumfields (Crown lands) should be handed over to the management of the local bodies, and that they should, as a body, have the power of issuing gum-licenses, and power of refusal to any one. I believe if the local body acted wisely on behalf of their district they would settle the difficulty, and relieve the Government from dealing with the international question. It would be very different if the great majority of diggers saw that the local body was trying to conserve their interests, and they would assist the local body in carrying out the measure. The old-men diggers will soon be a thing of the past, the Austrians leaving them nothing to dig. These men, in the option of the local body, may be exempt, they having a personal knowledge of the men who should be exempt. I have known diggers here make easily £4 to £5 a week, but very few of them can do that now; that is, with the superior kind of gum. I have never dealt with this inferior gum myself. It rises and falls very rapidly sometimes. A man will have to work hard eight hours on the field, and scrape at night, to earn £1 5s. to £1 10s. a week round here now. There is a spurt now with inferior gum, and most of the diggers have gone where they can get it. It is dug in large quantities, and the diggers can make better wages than on the good fields. With reference to the issuing of licenses, each county should issue its own, and a man going to another county would have to get a license from that county. There are two objects in view: first, removal of the Austrians from the field; second, the local body should get some revenue from the gumfields. The gumfields of the colony contribute as much to the general revenue, and probably more than, as any other industry in the colony in the consumption of dutiable goods, but the local body gets no benefit from it, and the roads are destroyed. The two trades that have made Auckland—the gum and the timber—pay no duty whatever, and the local bodies get no benefit from it. My suggestions are: Diggers, both Britishers and Austrians, to be compelled to take up small sections of land in the vicinity of gumfields, and the Government to hand over gum-bearing Crown lands to the local bodies to collect licenses. We have never collected a license-fee. It is 5s. now, but we want a free hand. We would make the license-fee with exceptions for old men; I would have a scale ranging from 2s. 6d. up to £20. When the Wages Protection Bill was before the House I objected to the clauses relating to the truck system, and they were thrown out. A man comes to me without a rag to his back. I give him a start, costing from £1 to £1 10s. He brings his gum to me, and gets the highest price, without any conditions whatever. If that was held to be truck, what position should I be in? If it was illegal I should not be able to start him. What would the digger's position be? If that section had been passed it would apply to storekeepers on Crown lands as well as those on private lands. I considered that there was no occasion for making the truck clause in the Wages Protection Bill applicable to storekeepers on Crown lands. Seventy-five per cent. of the diggers who get a start now would be refused on the open fields if that Bill had passed. Why should a storekeeper lay himself open to a breach of the Act for giving a digger a start? I used to work a bush here, and advance a certain contractor over £100 in goods and tools, and have paid his men the first three months, when he had not earned a shilling for himself. What should I have done if an Act had prevented me recovering my money. My greatest objection to the Austrians is the injury they inflict upon the small settlers; and the question is whether as a nation we should destroy our own people by encouraging the Austrians, or, by removing the Austrians from the fields, promote the interests of the small settlers.

WHANGAROA, 10TH FEBRUARY, 1898.

Frederick William Sanderson: I am accountant to Molesworth and Saies, and agent for the Northern Steamship Company. I have been resident in this district thirteen years, and am well acquainted with the gum industry. The gum trade is less now than it was six years ago. Formerly it ran to 300 tons per annum; now it is about 200 tons. There is no great difference in the grades now as compared with former years. We get a little of the low grade, but it is chiefly white gum. We are getting better prices now. I have noticed that although there are rises and falls in the market, each succeeding fall is above that of the preceding one. The Britishers do complain about the Austrians. It is more so at first, before they know the men, than afterwards, the reason being that they are exceedingly upright honest men. Austrians never quarrel with

prices; they quietly go away to other storekeepers if not satisfied; they do not haggle. This is, perhaps, through their ignorance of the language. From the storekeeper's point of view they are very satisfactory customers indeed. I think they would make a very good stock to infuse into the general body of the community, and I think they would make very good settlers. I recognise that the Britishers have a grievance against them. I do not think the Austrians have made a very great deal of difference to the price of gum through increased production. They may have only taken the places of ordinary diggers who have been absorbed into other industries, such as timber-getting. My experience is only local. There are certain fields where the truck system applies; nobody is forced in this district. We have branch fields, and the diggers near the stores are expected to deal there, but there is no signed contract compelling them to do so. It is merely the propinquity to the store, and the long distance to any other store almost compels the digger to deal with that store. My experience is that the digger obtains a higher price for his gum than he could get in Auckland. This is brought about by competition among the storekeepers to obtain the store accounts. They pay a higher price for the gum. I know of a firm who have steadily lost for years on their gum account, hoping to recoup themselves by the sale of goods. I think this course of action is unsound from a business point of view. Diggers do not send their gum to Auckland from this district; a small parcel or two might have been sent. As to the earnings, some exceptionally good men can make £10 or £12 a month clear of tucker, others can barely make their food. A certain extreme case is that of a man named Hoey, who came here and received a cheque for £20 for five weeks' work, and complained that the field was not good enough, and went away. I know, however, that the ordinary adult gum-digger can earn from £6 to £7 per month gross. Some of the men bank their money. I know of two cases in which diggers have accumulated over £1,000 each. These are exceptions. I am aware that the great majority do little more than pay for their food. I do not think that many of them would be inclined to settle; among diggers now there are more settlers who are helping themselves by getting a little gum than gum-diggers who would be likely to settle. I think it would be a good plan if some control—say, by the Government—could be exercised over the gum market—to steady it, to prevent rises and falls—if such a plan could be devised without interfering with the economic aspect of the question. There would be a difficulty in thus regulating, on account of the differing qualities of the same grade supplied by different purchasers. We suffer from a variation in the market also. Thus in New York we think we are far more honestly treated than in London, in the matter of expenses and delivery and loss of weight through sampling. In London, charges are levied by the brokers on every conceivable pretence—for example, furnishing bags to put samples in; and samples are abstracted with a very free hand, and this becomes a tax upon the industry. We have far more grumbling on account of the weights in London than New York, on account of this practice of sampling the best specimens of gum, which appears to have become a vested interest among certain persons, but which is a dead loss to New Zealand, and, consequently, the producer. There are two ways in which gum is exported: Some gum is shipped for sale in the open market, and some is bought in Auckland for dealers on commission. In the case of these direct consignments portion of expenses of shipment is saved. As to the prices quoted in the Auckland newspapers, I consider there are two conflicting interests at work—that of the commission agent, who wishes to see the prices quoted as high as possible, so that he may show his principals that he is buying to advantage; and that of the man who ships for sale in the open market, and whose purchases are therefore unfavourably influenced by the high quotations. Of late years the Auckland merchants seem to have controlled this matter of quotations to some extent, and the evil is not so glaring as formerly, when the two newspapers were quoting widely different prices, the *Herald* quoting a fair price and the *Star* an inflated one. In the interests of the digger and of the honest storekeepers I think it would be a good thing if the Inspector of Weights and Measures was to make more frequent visits, or depute his duties to the local constable. An Inspector has only been twice here in thirteen years.

TOTARA NORTH.

William Richard Lawrence: I am a storekeeper and resident in Totara North. In conjunction with my business I buy a little gum, principally from the Maoris. The production of kauri-gum is most decidedly falling off. The stuff I am buying now would not have been looked at fourteen or fifteen years ago; it would not have been marketable. In this locality the majority is white gum, but we have swamps in which black gum is obtained. Most of the gum we are getting in the last six months comes from Awanui and Waiharaha. The diggers send their gum down to us, probably, because they get better prices than on the field. Austrians do not deal with us; practically, I have not known Austrians until a month ago as customers. I have been informed they have a very good name among storekeepers. This last week there was a case of one Austrian suing another for £9; so that they are not altogether so united as is sometimes represented. A Maori digger spends from 10s. to 12s. a week while he is digging; they dig in a very intermittent way. I have heard no complaints about the truck system on the fields in this vicinity. I know of no means of steadying the trade, unless some of the larger merchants would combine and hold gum for a favourable opportunity; but how to control over-production I do not know. We are getting advice of drops of £10 per ton in the medium quality dark gum at the present time. I do not think we are unfairly treated by the Auckland merchants, but there is a heavy leakage in the quantity of the gum on arrival in Auckland. Part of this is owing to the friable nature of the gum, which allows a quantity of dust to continually escape, but part also is from the drying of the gum. I consider that the best way of trying to settle the floating population of the North would be for the Government to try earnestly to get them settled on the land if possible, perhaps even to offer them special advantages.

KAEO, 11TH FEBRUARY, 1893.

James Halliday : I have been a settler and storekeeper at Kaeo for the last fourteen years. I have been connected with the gum industry up to the last two years, and still do a little gum-buying. The quantity of gum produced in this district has fallen off slightly, although the men are working in swamps this year that have not been touched before owing to the dryness of the season. The quality is quite as good, although it is not got in the same quantity. I do not touch black gum or any of the poor grades now. The average digger makes 15s. clear of tucker. The tucker bill comes to 12s. I have not bought from Austrians, but there are a few Austrians here. The diggers complain of the Austrians : firstly, because they work the fields too closely ; secondly, they put such a quantity of gum in the market that the price is kept down ; and thirdly, they send the money so earned out of the country. The Austrians are very industrious and honest and law-abiding. If the Government could offer a piece of land so as to induce them to stop, the objection to them would disappear. I have had a good many dealings with Austrians in store matters, and have not found them mean. If a storekeeper is in a position to hold his gum for a favourable opportunity he could get from £5 to £6 more than if he sold to the merchants in Auckland, who form rings and rig the market. About five years ago, before the last Gum Commission went round, the buyers on the fields were purchasing at high prices, anticipating a rise ; but prices fell, first £10 and then £7 a ton, consequently some of the storekeepers were ruined, and others most severely hit. I do not think the Austrians are the greatest evil, but the "ring" in Auckland is.

Joseph Hare, jun. : I am a partner in Hare Brothers, of Kaeo, storekeepers and gum-buyers. I am well acquainted with the industry for the last twenty years. I should say there are fifty diggers, of whom not more than two or three are Austrians. We have had no dealings with Austrians yet. In summer time the preponderance of gum produced is that known as "black jack." The supply of gum has been steady until this last year, when it has fallen off. The average digger can make £1 a week besides his tucker. There are some here who can make £3 a week ; others cannot make 10s. The cost of living for a digger is not more than 10s. a week, including meat. The Austrian question is never mentioned here. There are no leased fields here. It is a free field ; diggers buy and sell where they like. I buy less gum than I used to ; but there are three stores here now, and probably the total amount equals my dealings before. We have gone into the timber business now. There is a discrepancy in the weights of gum as weighed by us and that given in Auckland, but I do not think it is an unfair discrepancy. It is partly owing to dust escaping and the gum drying. A hundredweight of gum in summer time in a week would lose 2 lb. in weight ; but in winter the same parcel would not lose anything, on account of the moisture of the atmosphere. I have even known gum to be affected going down in a boat, by being wet with rain, the gum absorbing the moisture. Of course, this difference would be greater if the gum was packed in sacks. It would be of great benefit if prices could be fixed, say, for six months, so that the sudden falls and rises in the market could be done away with. My prices of stores are as follows : Flour, 14s. to 15s. per hundredweight ; sugar (No. 2), £1 5s. per hundredweight ; candles, from 6½d. to 10d. (same brand) ; tea, 2s. per pound. We give a discount of 2½ per cent. on groceries and 5 per cent. on draperies for cash. Fresh meat, 3½d. and 4d. per pound. Goods can be bought here for almost Queen Street prices, owing to competition. The present condition of things does not conduce to settlement at all. We do not find the digger a settler. He is as free as the air he breathes ; he is simply a rover. Settlers here have made digging a wonderful help to settlement. Five years ago I induced a man to take up a piece of land ; he was digging gum at that time ; and now he is doing very well, and if at any time he wants money he digs a bit of gum. The aid given to settlement by being able to procure gum is the best in the world. From my personal observation, gum will be found for the next twenty years. Gum will be procured from bushes that are being worked at the present time. It will take about five years to make them workable, until the fire has swept them clean, and burned the stumps, roots, &c.

William Hearn : I have been a storekeeper and gum buyer at Te Whau for thirteen or fourteen years. I travel about buying gum on the fields, and I cart it home to my store. I take steelyards with me. The production of gum is falling off. In this dry weather all the gum is black and swamp gum. In my opinion, it proves that the Home market must be supplied with gum at any cost, and is satisfied with any quality. There has never been a year in my experience where black gum has been in such demand. I think we have had very fair prices indeed from the Auckland buyers. I think if some means could be devised by which the markets at Home could be steadied, so that we knew for several months in advance what price to buy at, it would be of benefit to both digger and buyer. So far we have not been troubled with the Austrians. It would be very prejudicial if they came to us. I do not buy any gum from the northern fields. The majority of the diggers round about me, although a steady decent class of diggers, are not, I am afraid, of the material of which settlers are made. I do not think the fields will be done in twenty years, at the present rate of production and the present places they are getting gum. It is almost impossible to dig white gum, as the ground is so hard. I have no suggestions to make as to how improvements could be made by Government or any one in which the trade could be benefited. If the digger would settle, that would be a good thing ; but I do not think one-third would take advantage if land were offered. We are suffering from the want of settlement here. If the Omaunu Block, in this vicinity, was cut up for settlement it would be immediately taken up by men who would ultimately make it a success, as the land is pretty good, and it is adjacent to gumfields.

George Samuel Leever : I am a settler in this district of thirty years. I am a freeholder, and a bushman. I know generally the wants of the men who dig gum in this district, and I have been observant of their habits. If portions of Crown lands bearing gum were reserved for men over forty years of age for them to fall back on I think it would be a good thing. There is nothing between bushwork and charitable aid if the gum is gone, as the general run of the men cannot

work the bushes after forty years of age, most of them having no trade to fall back on. I think the land-laws at present are quite liberal enough for any one who really intends or wishes to take up land and settle. If in some popular form concise descriptions of the different methods of taking up land could be circulated amongst diggers, so as to make them understand "The Land Act, 1892," I am sure more would take advantage of that Act than now do.

John Edward Connolly: I am a storekeeper and gum-buyer at Kaeo. I have been five years in the district and two years gum-buying. The supply is falling off. That bought now is a mixture. The poorer quality would not have been bought years ago; it would not pay expenses. Diggers are producing unusually large quantities of gum, mostly swamp, just within the last few weeks. It is on account of the dry weather, and they are now getting gum where before it was considered inaccessible. I have not bought gum from Austrians, but a few sometimes come to me for stores. A British digger's tucker bill amounts to 8s. and 10s. a week. My opinion of the diggers about here is that they are hopelessly wanderers, and they would not settle; they travel from one field to the other; if they hear of a man getting more on another field they go there, and then perhaps return again the following week. Most of the men digging in this district are middle-aged men. I think I get a fair price for gum from the Auckland merchant; and there is hardly any loss in weight. I send my gum in bags. It is a trouble in the trade that the market prices are so fluctuating as regards the medium gum, but the better classes hold their own. Even if the Home market could be steadied for three months at a time it would be a great blessing. The good gum falls gradually, but the "black jack" and brown falls from £10 to £7 at a jump.

KAIKOHE, 12TH FEBRUARY, 1898.

Francis Patrick Green: I have been gum-digging, on and off, for eight years in this district, and am well acquainted with the industry. The quantity of gum is falling off considerably. First-class quality is still procurable, but in diminishing quantities. Any sort of gum can be sold at a price. Gum can be sold now which could not have been years ago. Eight years ago the price was £1 19s. a hundredweight, and a fair average man would get $1\frac{1}{4}$ cwt., earning £2 10s. a week. The same man could only get $\frac{3}{4}$ cwt. a week now, at £3 4s. to £3 5s. a hundredweight, which comes to about the same weekly wage. The men live fairly well. They cannot live under 12s. a week, and the prices of goods would be about the same as eight years ago. The improvement of the roads makes no difference in the price of provisions. We are digging now in the swamps, as it is dry weather. There are about sixty British diggers, of whom perhaps twelve are settlers, making their improvements by means of the gum. There are also about fifty Austrians. The Maoris in the district also bring in a great deal of gum. They do not dig regularly; several families go out together for a fortnight or three weeks, and work on the co-operative system. The principal fields here are owned by Maoris; but there are Government gum-lands, and Dickenson Brothers have private freeholds, and leaseholds from the Maoris. Maoris charge 2s. per hundredweight for gum as royalty. Mr. Dickenson's field, called "Waimamaku," leased from the Natives, was opened to the Austrians for a limited time, and they paid for the privilege of digging thereon at the rate of £1 per week, which was paid to the Maoris through Mr. Dickenson, Mr. Dickenson supplying these diggers with stores. Any digger going on to a private field is expected to sell his gum to and buy stores from the storekeeper to whom the lease of the land belongs. Even without an agreement this is agreed to; it is an unwritten law. On the Crown lands the digger is free. I have never heard anything of the truck system. The storekeepers get on very well with the diggers. I never heard anything against the Austrians. They are honest and straightforward, but the diggers say they are digging the country out of gum. The Austrians do not leave any ground unturned, and they earn all the gum they get. Austrians do not show any sign of settling; and all the money they earn is going out of the country, and the country gets nothing in return. They would make a very desirable class of settler. I have not heard of any means by which the digger or the industry could be improved. I am afraid you would not get any of the wandering class of diggers on any favourable terms to settle. They are too fond of an independent life. I have said that there were sixty British diggers on this field; I should think forty out of these were elderly men, and could not earn more than 20 lb. of gum a week, which means about 11s. in money. The best diggers have gone away, because they decline to work any longer on a field on which they could not make at least £1 a day: this refers particularly to the Pukekohe crowd, who were very good gum-diggers. These men worked on the face like the Austrians, and dug everything before them, and, I think, if such men were here now they would do well. There is plenty of gum on the fields about here. Of course, most of what was handy has been worked out, but what is left will last for years. Part of a field called the "Springs," which was supposed to be worked out years ago by Britishers, the Austrians last year went through again, and unearthed a very large amount of gum—to the best of my belief, about 18 tons. The same men (Austrians) are coming back to work it again. My experience is that the kauri-gum industry has not contributed in any way towards the construction of roads, but, on the contrary, has been the principal cause of destroying what roads were in the district. It is difficult to acquire any land near Kaitike, on account of the valuable land being, with few exceptions, in the hands of the Natives. If I saw my way to getting hold of a piece of really good land I should say I could hardly do better than put some of the money furnished by gum towards taking a piece of that land. I think if a settlement could be formed, in which good lands were offered to *bona-fide* diggers in order to settle, it would be good, and also to have a common reserve of gum-lands in the vicinity laid off, which should be for the use of those settlers alone, and not for the wandering

diggers who had no residential qualification. Some of the men on this field are nearly getting too old to work, but there are others, I believe, who are really lazy men, and are quite content to allow the storekeepers to keep on packing goods to them until he stops. As a rule, storekeepers are not anxious to give starts here, and give only a fortnight's credit.

Albert James Wright: I have been a storekeeper for the last three years, and digging before that in the district for eighteen years. I am well acquainted with the industry. The quantity is falling off. Everything called gum is now bought. It is chiefly swamp-gum worked here now. Last year four or five diggers got 65 lb. a week each. I know this, because they were dealing at my store. This would be a fair average. If you took a dozen men, 12s. 6d. would be the average a week. A good few are elderly men, just barely earning tucker. The gumfields are a last resort for men past middle life, and failures in other businesses; eventually they must be a burden on the charitable aid. The digger pays no rates, and the roads are principally cut up by supplying him with food and getting his gum out. The whole of the trade here is the gum trade. We settlers have to pay the rates. Everything nearly the digger lives on, barring beef and mutton, comes from town. He does not benefit the local settler much. The settlers cannot grow potatoes of a sort that the digger likes, so they come from Auckland, the reason being that the ground is so porous that it will not hold the moisture in dry weather. Oats are just the same, but maize grows to perfection. All the land here is owned by Natives, there being only about 100 acres of Crown land. It would be an exceedingly good thing if Government purchased some of the good land here, and if opened for settlement any amount of diggers would take it up. Some of the diggers have to keep their wives and families in Auckland, and of course it is a severe strain upon their resources; they have no hopes whatever of bettering themselves. I have heard no complaints of the truck system. Gum-diggers are, as a whole, well treated by the storekeepers. There is keen competition here among the storekeepers. Such a thing as paying royalty to a leaseholder is not known here. The only complaints I have heard is about the Austrians inducing very severe competition. They work long hours, and clean the ground very thoroughly. I have known three Austrians under treatment by the doctor for overstrains and over-exertion at gum-digging. Austrians do not deal with me. There is no other means by which a digger can be benefited except by giving land for settlement. I think the price of gum will be doubled in the next five years, simply because it is an article that is required, and manufacturers cannot do without it; the scarcer gum gets, the higher the price. The other objection against the Austrians is that the money earned is sent out of the country. Austrians are very saving, and nearly every one, when his banking account reaches a certain amount, remits the money Home; and it is my opinion that what constitutes national wealth should be farmed in a judicious way, so as to render benefit to the country, which now it does not. A large portion of the proceeds from the gumfields is sent to other countries.

Alfred William Edwards: I have been a storekeeper and gum-buyer for the last ten years in this district. I am well acquainted with the gum industry. There is not such a great quantity of gum being produced now as there was ten years ago, and the quality is inferior. It appears by the demand for kauri-gum that the manufacturer at Home must have gum, even if of inferior quality. I should say that there are about one hundred Britishers on the field in this vicinity. I do not deal with Austrians, so therefore know nothing about them. I deal principally with the Maoris; they bring in large quantities of gum—in fact, their principal source of subsistence is from the gum. There are a few settlers—perhaps a dozen in all—who are among the one hundred diggers I have mentioned. There are no settlers in this district proper; they come from Punikitere, about eight miles away. If Government could acquire lands from the Natives, and throw them open for settlement, it would be a great boon to the district. There are some valuable lands if the Natives were willing to sell. Some of the Natives are willing, mostly the younger ones, but they appear not quite certain as to the title, and they are afraid of investigation. The truck system is unknown here. We reckon that the Austrians are clearing the land of gum; but we plainly see that they cannot be turned off the Crown lands, on account of the international question. The Natives charge from 5s. to 10s. for a season, or, in fact, as long as they like to remain on the field. There is a great deal of Government land here, and the diggers work on such free. If gum is sold in the open market considerable loss in the weight is sustained between that of the gum as we weigh it here and the weights which are recorded in Auckland. I think it is a legitimate loss—through sacks getting burst, &c. I do not think the rise and fall of the market is the greatest evil we have to contend with; it is the dishonesty of the digger himself—the digger obtaining goods from the storekeeper on credit, and then disappearing without paying for them. No check can be kept on them. It is impossible to have business on a cash basis, as many of the men are so poor. They pay up once or twice, and then get away, sometimes on the spree; but they are never seen again. I consider the gum industry should bear some proportion of the cost local bodies are put to in maintaining roads, but I think it would be difficult to persuade the digger of the fact that he ought to bear his share of the maintenance and construction of the roads. The only suggestion I have to make is that there should be a small export duty levied, if it could be so arranged as not to fall direct on the digger. I do not think the sudden depressions in the gum market are owing to the influence of rings. I think they are simply the ordinary commercial fluctuations which affect all staple products. The reason of the great fall of 1893 was owing to the crisis in America, which threw all the gum on the London market at forced prices. I do not think such an over-production as that is likely to occur again; the gum is not here. It is my opinion that it was brought about by the low state of the timber market, and mining industries, which would free so great a number of workers, a large proportion of whom flocked to the gumfields, and in a similar way in connection with other industries. It takes a great deal more labour to get a ton of gum now than it did formerly. An able-bodied man could castily get 1½ cwt. of gum in a week: now the same man under the same conditions would get about ¾ cwt. This refers to this district. I think in this district the proportion of the gum-diggers who might require charitable aid would not exceed 5 per cent.

George Warren Shaw Patterson: I am a storekeeper, gum-buyer, and exporter of gum. I have lived in Kaikohe for sixteen years, and am well acquainted with the industry. There are not more than fifty Britishers, one hundred Austrians, and Maoris (who dig in a casual way) on this field. The production of gum is not nearly so much as it was five years ago. There is a demand for any quality of gum now. Stuff is being dealt with now that would not be looked at a few years ago. The bold gum has run out now pretty well. The earnings of a Britisher would not average more than 18s. to £1 a week, not including tucker, which amounts to about 10s. to 12s. a week. Austrians average £1 10s., and tucker-bill will amount to pretty much the same as the other. Once they get established they live pretty well. The swamps are being dug now. The principal grievance against the Austrians by the digger is that they pay their accounts: they growl because they strip the fields, and send their money out of the country. I send a lot away for them. An Austrian sends three-fourths of his savings Home. I have heard it remarked that they come out here under contract, but not on reliable authority. I have heard that Austrians get money advanced to them through an institution in their own country, but the nature of that institution is only a lending bank. There appears to be one man appointed with every gang of Austrians who come out whose business it is to see that the money advanced, with interest, is returned. I am positive of this. I have studied the Austrian question out very carefully, and have written to the papers on the subject, and I have failed to see what we can do in the shape of legislation. There is no doubt that a great deal of money is being sent out of the country by the ever-increasing swarms. I have been in Trieste, and have passed through the country that these Austrians come from, and I know that no European person would like to be debarred from the privileges of citizenship of their country, and therefore I recognise the difficulties of the international law. I consider the attempt to induce Austrians to settle, by means of offering them blocks of land adjoining gum-fields, would be the only legitimate way of meeting the difficulty. Take our little district alone; there is a vast extent of good land here; and, if settled, the adjacent gumfields would be of immense service in helping to keep the settlers on it. I am sure the Austrians would make good settlers. I think not only the Austrians, but the British diggers should be induced, if possible, to cease their wandering life, and become settlers—inducement should be offered by Government for them to settle on blocks of land, which should be thrown open, near which blocks portion of Crown lands bearing gum should be reserved as an endowment for them and their particular settlement. A law should be enacted that no person should be allowed to dig kauri-gum unless possessing a residential qualification. It was a great pity that the export duty was not put on in 1893, as recommended by the last Commission. There would not now be the complaints about the state of the roads in the North. I do not think the industry would stand it now, as there are other gums coming into competition with it for varnishing purposes; notably the Sierra Leone and Brazilian gums. There is on the East Coast of Africa, a strip of country seven hundred miles long and fifty miles wide in which there is a fossil resin similar to the kauri, called Zanzibar gum. That country is becoming opened up now, so there is a fear that the production from that country may affect our gum. In America they use commoner grades of the kauri-gum in varnish-making for the material which is to be used in interiors, where the rays of the sun do not penetrate; but, in places fully exposed to the light, kauri-gum of good grade must be used on account of its greater elasticity, as it is not affected by the solar action. Some cases of New Caledonian gum have been imported into Auckland, but this gum is never mixed with kauri-gum, for it is too easily detected by the smell, and the new Caledonian gum lying in Auckland is totally unsaleable. There is an acid in it, which the varnish-makers at present cannot eliminate without a great deal of alteration to their plant, and therefore the sale price is almost nil. It is the only thing that keeps the price of that gum down, and prevents it coming into competition with the gum derived from kauri.

PAKARAKA, 14TH FEBRUARY, 1898.

Guy Coldham Williams: I am a runholder. I have been connected with some experiments in growing furze for feeding stock. I do not wish any remarks I may make to be considered as conclusive, because the matter is still in the experimental stage. The experiments began five years ago in a very small paddock. I have since extended the planting of furze to some thousands of acres, but have only had small experience in stocking a small portion of the land sown. I have also planted at Kerikeri, on soil of a different nature to that at Pakaraka. The experiments have in many ways proved very satisfactory at Kerikeri: for instance, before the introduction of the furze it was with difficulty that 150 sheep found subsistence, but since furze has been planted some thousands of sheep have been carried there. On some of the Kerikeri land it might possibly carry one sheep to 4 acres, but sown in furze the same land has carried (wintered) from four to five sheep to the acre. On four acres of this property (Pakaraka) we wintered twenty-six sheep on the furze. Some of the land has been sown in rows 2 ft., 6 ft., 7 ft., and 8 ft. apart, and some broadcast. I believe the most useful way to sow it would be 3 ft. apart, so as to allow the sheep to go through it, and also to form one continuous row, making it easier to burn, so that the dry stuff in the bushes would let the fire run from one end to the other. The best way to operate the furze is to put the sheep into the paddock when the shoots are young (beginning of spring) and tender, to feed it down closely, then remove the sheep to another paddock, and so on. By the time they have been through three or four paddocks the first paddock has again sprouted, and is ready. In the spring a paddock is ready for the sheep in a fortnight or three weeks after it has been stocked down. When, after about three years, the centre of the bush has grown too tall, and out of reach of the sheep, it should be burnt off in the summer, and then, if the tops are left too thick, another fire is put through as soon as they are dry enough; then the bush shoots again from

the roots, and when it is sufficiently long the sheep eat it off again, and so on. Thus, no grubbing or ploughing is necessary for the continuance of the grazing. It is only at first that ploughing is necessary. The only thing that is required after furze is once properly established is a firestick and the sheep. In some places surface-sowing on "burns" has succeeded as well as on the ploughed land, but in others it has not succeeded at all. The reason for this I am unable to account for. As far as my experiments have gone, I think it will be better to sow the furze in rows than to sow it broadcast; one special consideration being, when it was found necessary to burn it off in fields where furze has been sown broadcast, the fire sometimes does not overtake the whole of the bushes, and a clean burn can therefore not be obtained without a good deal of labour. We have only experimented so far with the common furze (*Ulex europæus*), but we have a variety which we call the "prickless furze" (not knowing the botanical name). If this furze is preserved by being closed during the spring and summer the sheep can in the winter eat the whole of the spring and summer growth, and thus derive a large amount of nourishment at a time when feed is most scarce. They will eat it right down to the bare stump; and next year it springs up into a similar bush again, and the process can be repeated. This furze has to be propagated by slips, and is therefore very much more expensive, on account of the labour of planting. Experience alone will show whether it will pay. There is another variety; I obtained it from Mr. Webster, of Hokianga. I wrote to Sutton, asking him specially if he could give me any particulars about it. He replied that it was not exactly prickless, but was very much less so than the common furze. He called it a French furze. The advantages are that it seeds. The price of it was 8s. 6d. per pound, and the common furze is about 1s. per pound. I obtain the seed of the latter from Home, as I can get it cheaper than in the colony. We housed twelve sheep at Kerikeri, and fed them on common furze, put through an ordinary chaff-cutter, giving them at the rate of 4 lb. per sheep per day. They were kept in for eight weeks. The sheep were in the usual store condition when the experiment began; at the close of it some were quite fat, and the others ranged down degrees of fatness to fair stores. In watching the sheep feeding we noticed that the fattest were the strongest sheep in the mob, and presumably fatter by getting more feed, by keeping the others away from the trough. That is the only experiment we have made with regard to putting the furze through the chaff-cutter. We are putting in a large block, 100 acres or more, with the object of trying chaff-cutting on a large scale. We purchased a crusher from Ireland, but we found it required too much power to work it, and therefore made it too expensive for practical use. The ordinary chaff-cutter puts through far more stuff, and requires much less power to drive it. It is my opinion that what are called gum-lands can be utilised by growing furze thereon. We have an example on a gum-hill close to Kerikeri where furze is standing thick, and if fenced would no doubt carry a number of sheep. Furze seedlings are very delicate. I do not think that furze will thrive as well on clay lands as on friable lands.

MANGAWHAI, 19TH FEBRUARY, 1898.

Charles Edward Hogan: I have been a freeholder in this district all my life. I have 190 acres, and have been told by diggers that it is the richest gumfield in New Zealand. I should think there are fully three hundred Austrians on this side of the river (Mangawhai). This is the third summer they have come in anything like numbers. The first lot were very industrious people, and law-abiding; since then some rough men have come here, and they drink a good deal. They work in parties, and make a clean sweep of the fields. There are no leased fields this side of the river, and the Austrians work, to the best of my knowledge, on Crown lands, or lands of absentees. The settlers at Mangawhai have complained, and rightly in my opinion, because the Austrians invaded private property in their search for gum. My brother and I had a case against them for invading our property and digging inside our fences. The police arrested the culprit, and he was tried next day and fined £5 16s. It was a long time before we could catch them; we let them off before; complaints were all round the district about the same thing. When the Austrian was caught, and he found that he could not get away, he turned on us with his spade. When the gum is taken out of the Crown lands the people who have not private property will have to go. There are plenty of people in the north who have made little homes for themselves, and have kept them going, by the money earned by digging a little gum now and then. The Austrians seem to me to come here with the avowed intention of making a certain amount of money and then going to Australia or elsewhere, where they can grow crops, &c. The Austrians are making a lot of money. I have been told at the post-office here that it is astonishing the amount of money they send away. They work long hours, from sunrise to sunset. This is a proof that the Austrians do not intend to settle here, as they do not have their women with them. There is not one case of a man having his wife with him on this field. The gum and timber cut the roads up here severely, and there is no return from this traffic. We settlers have to keep these same roads in repair. At the rate the Austrians are working now, two summers more and the Britishers will find the fields exhausted. They dig differently from Britishers; they dig in batches. If they come to a big tree they call on all hands to come and turn it right up, so as to get the gum underneath. I am of opinion that the Government should try and get the Austrians out of the country, if they go quietly without bringing the two nations to war. If this cannot be done, put a tax of £1 upon all diggers, and spend the money so realised in the district where it was collected. We have had an offer of £2,000 for our swamp from the Austrians, but we declined to have anything to do with them. There are practically no British diggers on this field, with the exception of a few elderly men squatting on Crown lands, outside the settlers in the district. I should think that about five hundred pounds' worth of gum is removed from Mangawhai every week.

John Sellwood: I am a settler, on freehold (441 acres), in the Parish of Mangawhai, and have 304 acres of leasehold from the Government. I have been here ten years. The Austrians first began to bother me last September. I have often shown them my boundaries; they know them perfectly well. They come in and dig gum from my property. When I have warned them off one part of my ground I come back and find them on another part. They are taking my property. They may as well come into my garden and take my potatoes. I was not one of the settlers who signed the petition complaining to the Government. I heard a great many complaints from the other settlers about them trespassing on their property. We had a meeting last November to see if a tax could not be put on diggers, so as to have something to spend on the roads. We thought 10s. would be enough. It is the gum traffic that cuts the roads up more than anything else. There is an elderly digger on my property who has a wife and several children; he did not know where to get gum. I allowed him to dig here. The Austrians undermine the ground like rabbits; they clear it right out, and pitch it about in every direction. The settlers do not sell much to the diggers, as the diggers get everything from the storekeepers. I only make enough butter for my own use. There is no Road Board; the County Council is the only local body here. The rates are $\frac{3}{4}$ d. in the pound, and a special rate of $\frac{3}{4}$ d.: total, 1 $\frac{3}{4}$ d. The settlers paid last year £180 towards hospital and charitable aid, and not a settler in the county benefited by it. My only complaint against the Austrians is that they encroach on my own ground. I think the settlers have the greatest right to the gum on Crown lands, as they are making a home in the district.

John Billich: I am a Dalmatian, and was a farmer there. I left Dalmatia ten years ago. I went to Australia first. I have been in New Zealand six years. I went straight to the gum-fields. I was working on the Wairoa side first—at Mitchelson's, at Mangawhare. Austrians work in camps of fifties and sixties. Every man works for himself, and on occasions they work together. We worked in the swamps, but did not systematically drain them. We made a few shillings above our living. I did not see anything about the gum-fields of New Zealand in the Austrian papers. The Austrian papers did not (in my time) encourage emigration to New Zealand. There are a great many Austrians on the fields now not making tucker. The reason the Austrians come here is because one of us makes a little money, and he does not put it in the bank; he sends it Home to his people, who are sometimes in great want of money. Then, others at Home, hearing that a digger in New Zealand has sent Home £10 or £20, thinks that New Zealand must be a good place. He says, "I will go there and get some money too." I have never heard that any Austrians came to New Zealand under contract, and I believe that if such a state of things had existed I would have heard about it. At the time I was at Mitchelson's I heard people say that such was the case, but I never could obtain any proof from any of my countrymen that it was so. In the case of any of my countrymen who have not got money to emigrate to New Zealand, they generally apply to some one at Home who can advance the money, and, if they are known to be respectable and reliable, the money is advanced on condition of their paying the capital back again and interest for it. I have never heard that several Austrians borrowed money and came out together, one of their number having to look after the money and see that it was sent back again to Austria to the money-lender; but the fact is that when ten or twenty men are together, and one can speak English well, the others naturally look to him to be their guide—to advise them where to go and what to do, and so that man frequently comes to be looked upon as a boss of that party. I think if the Government were to reserve a block or blocks of good land for the Austrians they would, many of them, become settlers, and perhaps introduce the vine and olive, &c. Of course, the older people, and especially the married ones, would, as a rule, return to their own country. The majority of the young men are unmarried in this district. Most of the men come from Dalmatia. There are no Albanians amongst them, but there are a few from Montenegro, Bulgaria, and Croatia. I have not seen any Turks amongst them. Most of them have been sailors and farmers. It costs from 5s. to 6s. a week to live in Austria. It is nearly three times as expensive to live here as at Home. They average 10s. a week for tucker. I deliver the tucker myself, so that I ought to know. There are very few drinking-men among them. The average earnings are about £1 a week above tucker. Most of them send three-fourths of their savings Home. There are a number of young men who do not send their money Home at all. They put it in the bank; and I know several of them who have from £500 to £600 in the bank. Those that come out very young escape military service, but if they return to the Home country they will be drafted in, if fit for service. Any of the young men who have left Home after signing any of the military papers and return to Dalmatia again will be punished, in addition to having to serve in the army. Those who have left before twenty-one years of age, and who return to Dalmatia again when they have reached middle age, will, in most cases, not be drafted into the military service.

Francis Shannon: I have a freehold at Te Arai of 240 acres. I was born in the country, and have always lived here. I am practically acquainted with the gum industry. The principal thing I would draw your attention to is that there is a very large district here, situated back from the port eight or nine miles. The road for about four miles passes through gum-land, which supports from fifty to three hundred and fifty diggers. That land contributes nothing towards the local revenue, and the traffic is very considerable from the gum trade, from which there is no return. I think a license-fee of £1 a head should be enforced, and the proceeds spent on the road. The Austrians seem to be a hard-working, industrious people. Settlers complain about the Austrians trespassing on their private property, but I consider they are no worse than the Britishers are in that respect. I have had Britishers trespassing on my own property when it was known that I was away. I consider the large influx of the Austrians, who divert a considerable proportion of the money they obtain from the gumfields to their Home country, a decided evil, which requires remedying in some way or other. A stop should be put to this influx.

William Thomas Sarah : I have been a storekeeper and gum-buyer for about nine years, but have been in the district all my life. The supply of gum furnished by each individual digger is smaller than in previous years, but the presence of a larger number of diggers makes it to be even larger than formerly. It is nearly all poor gum, and of inferior quality, and would not have brought half the price years ago. There are about 15 to 20 tons of gum a week sent away from here. Austrians are the principal sellers now. They are honest, straightforward, and industrious. I supply them with stores. I have no reason to complain of their conduct. I think they would make good settlers, but I do not think they would settle down on the land here. They work from ten to twelve hours a day. I think the average of money saved is 15s. to £1 per week. The very best Austrian digger would realise from £2 to £2 5s. clear of tucker. They all live fairly well, stores costing them about 8s. to 10s. a week, not including tobacco. I am satisfied with the treatment I receive from the Auckland merchants, and I believe the fluctuations in the market are fair trade movements, and are not owing to any ring combination. The prices of stores here are: Flour, 50lb. bag, 7s. 6d; No. 2 sugar, in large quantities 3d., in small quantities 4d.; tea, 2s. to 2s. 3d. per pound; candles, 6d. and 10d.; tinned meat, 1s. 2d. the 2lb. tin. I supply fresh meat at 4d. per pound all round; lard, 1s. 6d. the 2lb. tin. There is another store here in competition with me, consequently a good price is given for gum. We send our gum in sacks, and we know there must be a loss in weight, because of the handling. If we keep the gum we have now from the swamps it gets considerably lighter on account of the moisture it contains evaporating after it is brought to us, but full weight is paid for, as no allowance is made for leakage. This field will not last very long if the same amount of gum is taken out of it, at the rate it is going on. I should think there are about two hundred Austrians on the field, but I may be a good deal out. The Austrians have only been here about two years; in fact, last summer was the first time they were in any considerable numbers. I recognise that the British digger has a grievance against the Austrians for exploiting the gum, but cannot suggest any means by which it can be remedied. When the gum is exhausted I do not know what is to become of the settlers, as many of them are dependent upon the digging of gum for a partial livelihood. I know that some of the Austrians work together in small co-operative parties, one man obtaining the money for them all. Probably these are parties of relatives. The Austrians send money Home, probably for the purpose of bringing others out. I have been told this by Austrians themselves. The Inspector of Weights and Measures was through this district about three or four years ago, but I have never heard of any grumbling from Britishers or Austrians as regards weights given by storekeepers. I leased a field (an old field) from the Kauri Timber Company, for which I paid them £40 for four months, and I charged the diggers £1 each for the right to dig, and they were free to deal where they liked. My father was here before me in the same business. Gum-digging has been going on for the last thirty or forty years on this field.

John Thomas Somerville : I have 30 acres freehold, and have been thirty-three years in this district. I have dug gum sometimes; it has been a considerable help to me when I had time to do it. I know of other settlers who have done the same. There is hardly one in the district who has not had to get help from the gum-digging. I think myself that it will be a great calamity if the settlers who have been relying upon this source of support are thrust aside by the Austrians coming in such numbers and removing the gum as they are doing. In a year or two more there will be no chance for the small people settled about here to live. The Austrians showed up here about two years ago. I believe there are over three hundred now in this neighbourhood. The Austrians dig gum on the face; they clear the ground entirely of gum, and it is no use anybody following them. I have heard many complaints about Austrians digging on private property. It is not only the Crown lands that are being despoiled, but the land of absentees is absolutely being deprived of value, so that when a man is paying taxes on land which is worth £10 or £12 an acre he will return to find it worth nothing. There was land in this district worth from £100 an acre, and now there are great shafts sunk 9 ft., and the land so turned up and broken that the settlers are afraid to run their cattle on it. If the Austrians are allowed to remain here for another twelve months the Government will have a heavy responsibility in regard to the people who are left here settled for years. A residential qualification should have been the basis of the right to dig gum years and years ago. Government property should not have been allowed to be taken away by any wanderer who chooses to come and take it away. The wandering diggers will continue to dig gum so long as they are able to, but the settlers of the district do not get a pennyworth for the damage they do by cutting up the roads, for the supply of their stores and taking away the gum.

Robert Henry Moir : I am district constable, stationed at Mangawhai. I have been here forty years, and five years as constable. I am well acquainted with the gum industry. I have had great complaints from all the settlers in the district about the coming of the Austrians. The settlers in the district have been in the habit of relying upon the gumfields to provide a certain portion of their income. They fear that this source of supply will now be speedily exhausted, as the Austrians are clearing the gumfields wherever they go. I should certainly say that if the Austrians remain here for two years more it will be impossible for the settlers to help themselves as they previously did, by getting gum in the Mangawhai district. The Austrians generally are men of good character, and industrious. The great objection that is made to them is their wandering habits, and the thorough way in which they remove the gum from the soil. There have also been complaints about their not respecting the rights of private property, and following gum off the Crown lands on to freehold. I have a good deal of trouble in warning them off private property without attempting to summons them. I have not heard of any complaints about Britishers trespassing on private gumfields. I have not heard any complaints about Austrians assaulting females; they are always most respectful. I have not heard any suggestions made by settlers as to how the difficulty should be met. I recognise the evil, without seeing the way out. I remember, about thirty years ago and over, when the gum was collected off the surface by the Maoris only, who then obtained

£4 per ton from the storekeepers, who in their turn sold it for £8 a ton, and the gum was disposed of in the London market at £17 a ton. This same gum was of superior quality, and would at this present time bring £200 per ton. Gum which at the present time brings from £50 to £60 per ton would ten or fifteen years ago not have been looked at, and cast aside as waste. I have been listening to the evidence given by Messrs. Hogan, Sellwood, Somerville, and Sarah, and I generally agree with the statements made by these witnesses.

WARKWORTH, 21ST FEBRUARY, 1898.

Mathew Andrew Ferri: I was born in Dalmatia, and have been in British colonies for ten years. In 1895 I was in New Zealand for eight months, and I came out again in July, 1897. The reason I am able to speak English so well is because I have attended schools, and have had a good education in my own country. By "animosity" in my written evidence I do not mean that there is any animus of a personal character against the Austrians, except on general grounds. I have not heard of any abuse or bad feeling at all amongst the diggers in regard to the Austrians as men; it is only on account of the way they dig the gum, and of their sending the money out of the country. I do not think there are specially bad times in Dalmatia; there have always been hard times for the class of men coming out here. The influx of Austrians to the New Zealand gumfields has been started partly by Austrians in New Zealand writing to their friends and relations advising them to come out, but more especially by persons interested in the gum trade, whose aim and object is, to have as much gum as possible, and of disposing of stores on the fields. These persons, whose names I do not feel at liberty to disclose, have been in communication with agents in Austria, to encourage emigration to the New Zealand gumfields. These agents are paid for their exertions in two ways: partly in proportion to the number of Austrians they are instrumental in inducing to come out to New Zealand, and partly by the high percentage they charge for advances made to them for the passage-money. No passage-money is advanced by them excepting on the security of some landed or personal property. The usual interest charged on these advances is 10 per cent. The time is fixed by which the advance and interest must be repaid, which is generally at times sufficient to give the particular parties an opportunity to earn money on the gumfields, but if they find themselves unable to return the advance and interest at the time fixed, they either apply to the storekeeper on the field for Austrians to do so, or prevail on some of their countrymen to help them in the matter, as it is with them strictly a matter of conscience to have the money repaid, so as to prevent their own property, or the property of their friends at Home who have stood security for them, falling into the hands of the lender. It is a well understood eventuality that if the money is not paid at the time, the sale of the security takes place immediately; there is no mercy shown. The proof that these engagements are definitely fixed before the Austrians reach New Zealand is this: One batch arrives at Auckland, and they go straight to, say, Mangawhai gumfield; another batch arrives subsequently, every man of which goes straight to Poroti; another batch some weeks after arrives, all of whom go straight for some particular field on the Wairoa. I am of opinion that, although the main reason for the storekeeper preferring Austrians to British diggers is that the Austrian produces more gum, still another reason is that from the Austrians' ignorance of the language he is more easily imposed upon in the matter of price, both of gum and stores. I have been present, dressed as a gum-digger, and have seen Austrians receive a less price for their gum than would be given to a British gum-digger. Some of the Austrians tried to evade their nationality by calling themselves "Jones," "Brown," &c. I do not think the arrivals of the various batches of Austrians in Auckland have any special dealings with the Acting-Consul, Mr. Seegner, in passing through, unless it may be in connection with the signing of some papers referring to military service. There is a considerable amount of money sent from time to time by Austrian gum-diggers to their relatives at Home, because they themselves have to a great extent been the breadwinners while at Home, and they, of course, consider themselves in duty bound to support their families at Home, while they know that they are unable to make a living without the assistance of their own labour. I believe the stamp generally of the Austrians who have arrived in New Zealand of late are not as good as those who arrived in former years. The way in which I came to the conclusion that efforts are made on behalf of people interested in the trade in New Zealand to get out Austrians is gained from conversations which I had with some of my countrymen; second, from private news direct from Home; and third, from conversations I have had with some of those interested in the gum trade, who did not seem to me to deny that they were making efforts to get my countrymen out. The principal house to which Austrians resort is that of Kinkella's Austrian boarding-house, Hobson Street; there is another one in Durham Street, occupied by Franich; and there is a third one in Hobson Street, recently opened by Green and Kutcher. I do not think these boarding-house keepers are acting as agents for bringing these men out. I feel certain if the Government were to offer a really good block or blocks of land to the Austrian gum-diggers that at least half of them at present in the country would become good settlers. The land should be, if possible, selected so that a number of them would be near rivers and creeks, so that they could get a supply of fish to help their food-supplies, as many of them are islanders in their own country. They would at once introduce the culture of the vine and olive-trees, and all fruits. I do not think that very large blocks of land would be necessary; 50 acres each would be quite sufficient, and they would prefer open land to bush. I consider the Government should appoint an interpreter, and that the land-laws of the country should also be translated into Slavonic language, so that they may become thoroughly acquainted with the land-laws of the colony. Many of the older men are quite uneducated, but the younger men can all read and write, they being taught under the present compulsory education system, which is now the law in Austria. They would, of course, have their own churches and

pastors, and business-places, if any settlement is started. I believe it would be a good thing to insist upon a residential qualification, applying to men of all nationalities, before they were allowed to dig gum, after a certain date—that is to say, a man who does not possess a holding in New Zealand shall not have the right to dig gum on Crown lands. I do not think it would be desirable to have any law preventing men from digging until they had been twelve months in the country. I think, however, if it be known at Home that land is given to Austrians, as well as facilities for digging gum, an increased emigration into New Zealand may be the result. Some scheme, therefore, should be decided upon that, while allowing those at present here to settle or to bring their families from Austria, a check should be put upon indiscriminate emigration in the future.

Sworn statement put in by Matthew Andrew Ferri: "Being particularly requested by the settlers and British gum-diggers to give evidence *re* Austrians working on the gumfields, I will endeavour to do so to the best of my ability. It is well understood that all along there has been a strong feeling of animosity towards Austrians, and that the first Royal Commission did not accomplish much, if anything. It remains to be seen what good the present Commission will do. It is hardly likely that any additional evidence to that taken some years ago will be forthcoming. Here I would suggest that, if possible, the Commission should sit during the evening, and in some cases at least visit the camp or camps personally at that time, to collect evidence. My reason for this suggestion is that many of the men who would come forward to give evidence cannot afford to lose a day's labour, and, therefore, much really reliable information is lost. If the Government would adopt my views and policy much unnecessary expense and delay would be avoided. Government is much to be blamed for not having taken the right steps to protect the gum industry some twenty years ago. In giving evidence on behalf of Austrian gum-diggers I wish to strongly impress on people's minds that I am doing so from pure feelings of patriotism and good feeling towards both Austrians and Britishers, and that my sole desire is for the welfare of the colony, and the improvement of the condition of the Austrians in every respect. Therefore, my evidence shall be straightforward, honest, and impartial. The Austrian gum-diggers are from the Province of Dalmatia, a province that has made no progress since its foundation, and has, under several rulers and Governments, had to fight for freedom and national language. The people are kept in ignorance, their education is limited, and they are backward in all general knowledge. They are heavily taxed and greatly imposed upon, and are kept down by the capitalists, landlords, storekeepers, &c., for their own object and purpose. Austria has never had, or attempted to form, any colonisation. Her subjects (Slavonic origin) have been compelled through poverty and lack of opportunity at Home to seek their fortunes abroad, though Slavonic people are a race well able to mount the ladder of success if they had but opportunity given them. On their arrival in a strange land their inability to speak the language, and general want of education, compels them to accept labour of an ungrateful kind. Only the poorer class leave Austria, those of better social position and attainments remaining at home. I think those who do come here should, if possible, try and settle—make a home, and conform to the laws and usages of their adopted country. From personal knowledge and experience in extensive travelling in different parts of the world, I have come to realise the brutal system of Dalmatians going abroad to earn money. After a time spent in hard and ungrateful labour, they manage to save a few pounds, with which they return home, in reality no better off than when they started. When that little is spent—and it soon goes into the hands of the money-eaters—they are compelled to go abroad again, with nothing of capital left save a little experience and a taste of freedom. And in many instances the treatment they experience when at home makes them very hard and bitter, so that when leaving home a second time they forget for ever their country and all it holds dear to them, and become careless and callous. It is for this reason I have come forward to offer my views and suggestions—solely to try to improve their condition and opportunities in New Zealand and in any part of the world, for I have met a number of young men at a very low ebb, brought to that degree partly by family affairs, and partly by the superstitions of their country. When the poorer classes of other nations go abroad they sell out what they own and take their families with them. Then, when a settlement is made by the industry of all, in a few years they arrive at comparative prosperity. It is on all sides acknowledged that Austrians are a very hard-working, industrious people, and that they would make desirable settlers; therefore, I urge upon them to follow the example of other nations, and to settle in their adopted country, especially as the young men are, broadly speaking, imprisoned, as, if they return home, they are compelled to serve their country as soldiers. When I first visited New Zealand three years ago, I took great interest in the gum industry, and personally interviewed my countrymen, and from what I saw and heard I sent back reports to Austrian newspapers, telling of the miserable life on the gumfields. At that time the number of Austrians was not nearly so great as now, but circumstances would not allow of my taking an active interest in their welfare, as I am now, so far as time is concerned, at liberty to do. Since my arrival this second time in New Zealand there have arrived over three hundred Austrians, all of whom are on the gumfields, making a grand total of at least fifteen hundred Austrians digging kauri-gum. At the beginning they were mostly confined to the North Wairoa district, but now they are scattered all over the gumfields. I quite agree that the Britishers greatly feel the competition of the Austrians, and am of opinion that the prices of gum might be higher if the market were not overstocked. I also agree with the Hon. W. T. Jennings—that if the Austrians cannot be induced to settle, a small tax should be imposed upon them. It is rather a bad system that diggers should follow only the gum industry as a means of support. I think they should combine other occupations with it. I know by experience that gum-digging to some is not a remunerative pursuit, and that the majority who have followed the occupation for many years are to-day in very poor circumstances; in fact, while digging may afford a means of livelihood to a single man, the married man with a family to support is heavily handicapped, and lives from hand to mouth. If no other decision could be arrived at *re* Austrian com-

petition I would suggest that for them the fields should be closed for a period each year, so that they should in a manner be forced to seek other work, or to settle, as a means of subsistence. It is nonsense on the part of inexperienced agriculturists to say that the New Zealand soil is not productive. I will guarantee to grow anything in a place which is considered no good, if any one will stake the money. I have visited one Austrian family living in a whare with their three little sons. They were on the eve of their departure for Home. This is the only Austrian woman I ever saw on the gumfield, and the husband was the first Austrian who came to dig. He had made many trips to and fro, but I could not persuade him to get a piece of land and settle here. That was owing to national superstitions, and to the fact that he wanted to go home to settle a dispute with a brother about a piece of land not more than 10 acres in extent. His native district is well known to me, and consists of little else but rocks. No person could live on the land unless he had other means of support, and he is a lucky man who contrives to keep out of debt. During my absence from New Zealand I was kept well informed as to the doings, conditions, &c., of my countrymen, and learnt that a great influx had taken place under a system of contract, that I could not call in terms otherwise than "modified slavery." I discovered that agents in Austria ought to be blamed for insisting that poor people should emigrate. These agents are making a good thing for themselves, and I believe some gentlemen in Auckland are concerned in this affair. It surprises me to find the class of people who have lately emigrated. I would have sooner expected the Maoris would have emigrated to Europe than the Austrians to New Zealand. Austrian newspapers have raised their voices against emigration, and strongly urged their people to remain at home, and not seek fortune in a strange land. Meetings were held in Ogram, the capital of Croatia, to petition the Government to stop poor and ignorant people from leaving the country. These articles I have read with admiration, they were so truthful and impartial. They were published in several papers quite recently—April, May, and June of 1897. It is a hard and bad system, leaving wives and children at home in such bad circumstances, and involved in debt. Women in Dalmatia are like martyrs, so much burden is cast on their shoulders. Several towns are totally deserted of male inhabitants, with the exception of children. Knowing all this, I could not be backward in trying to assist my countrymen on my return to New Zealand, with time at my disposal; and I think the Government should do all in their power to help them, for I am sure, knowing their nature well, they will easily follow should a good way be shown them to prosperity and progress. Their own home Government shows them no toleration, nor in any way promotes their interest. They are honest, industrious, working-people, and a better class for settlement could not be desired. As they are at present living here on the gumfields they make no progress, socially or otherwise, and in many cases those who would live well, and spend money in New Zealand, are debarred from doing so through family affairs and superstitions, being obliged to send their surplus earnings Home. While residing thus temporarily in this country, Austrians keep to the habits and customs of their native place, the only holiday they take being a visit to Auckland, which they spend in parading Queen Street in the night-time, which often proves rather expensive. I think New Zealand the most suitable of all the Australian Colonies for my countrymen to settle in, but something should be done at once to protect the gum industry. I am strongly of opinion that the Government should neither sell or in any manner lease lands containing gum, and that they should, if possible, take back land so leased and refund the money. Thousands are earning a living digging gum, which of necessity grows each year scarcer, and if the area of gum-land also decreases the gum-digger will shortly have to apply to his country for help. Storekeepers are not all of them quite fair and honest in their dealings, and an Inspector of Weights should be appointed to regularly visit country stores, &c. I am of opinion that Britishers would not have the same treatment in Dalmatia as Austrians in New Zealand should they open trade with them. In making this honest straightforward statement I have no wish to hurt any one's feelings; so should any one think my remarks out of place, I would kindly invite him to come out, with his name signed, on the field of literature. I think I have said enough in my present evidence, though I have ample material to spare. The public of New Zealand will remember my endeavours to establish a lodge and a club-house for my countrymen, and thus to improve their condition. I have held meetings in Auckland, Wayby, Port Albert, &c., and written to various newspapers. The following are the dates of my letters written to private gentlemen: To the Hon. W. T. Jennings—20th September, 1897, 8th November, 1897, 31st December, 1897, and 14th January, 1898; to the Right Hon. R. J. Seddon—26th November, 1897, 2nd December, 1897, 9th December, 1897, and 14th January, 1898; to the Hon. J. McKenzie—on the 10th February, 1898. Also, I append the copy of a letter written to the British Consul at Trieste. In conclusion, I do not blame any one so much as the Austrian Government and the Government of this colony, for the poor fellows are cursing their own native country and this country as soon as they put their foot on the New Zealand soil; therefore, something must be done at once, and it is never too late for doing good."

Copy of the Letter to the British Consul.

SIR,—

Wellsford, 7th January, 1898.

With reference to the great influx of Austrians into the New Zealand gumfields, I think, as a fellow-countryman and well-wisher, that a word of warning ought to be given. The Austrians are coming here in batches of from forty to eighty, and there is a strong feeling of animosity on the part of the colonials towards them. The English urge that the Dalmatians come here without any funds, dig the kauri-gum, live very frugally, and send home their surplus earnings, or else go home themselves with all they can gather together. If the Austrians came as *bonâ fide* settlers they would be more welcome and free, and it would be in every way better for themselves. If they sold all they owned in Dalmatia and came here with their families the Government would help them to a settlement, and they could rise by industry to a position not attainable by their class in their own country. If they keep coming in such numbers simply to pursue the gum industry, they would really be better off where they are, as the fields for such labour are overrun now, and the prospect for the future is very poor. The Government, too, in the face of such numbers coming simply to dig, are seriously thinking of imposing a tax, while if the people could be induced to take up land on favourable terms, and settle here, in time they could win a good position and name for themselves. The Parliament will deal with the Austrian question this session; meantime I am forwarding you some cuttings from various news-

papers, which will show you better the feeling which prevails. I can assure you, from personal knowledge, that it is simply ruinous for Dalmatians to come here hoping to make money and return home in a short time. I greatly fear that this coming winter they, especially new arrivals, will have a rough time of it. Hoping you may be able to put in a word of warning for my countrymen on this subject, and apologising for the liberty I have taken,

I am, &c.,

To the British Consul, Trieste.

M. A. FERRI.

AUCKLAND, 23RD FEBRUARY, 1898.

Louis Kinkella: I was born in Austria, close to Trieste. I have been in New Zealand fifteen years, and was digging gum about three years in the Wairoa. Since then I have been keeping a boarding-house. There were ten or twelve Austrians in the country at that time. I believe there are about fifteen hundred now. About five-sixths of the whole arrivals come to my place in Auckland. The influx of the Austrians started in this way: Three or four Austrians went ashore in Sydney, and found their way to the New Zealand gumfields, and there was one of their countrymen—Paul Lopez—who for years had been following the occupation of fisherman in New Zealand. These men wrote to their friends, and got their nephews and relations out, and the new arrivals acted in a similar way, and the influx of the Austrians increased every year. There has been no engaging of Austrians to come out to New Zealand and work particular gumfields. The reason why batches of Austrians all come to the same field is that, being unable to speak the language, they keep together; and I do not know that they are ever instructed by any agent what particular field they are to go to. When an Austrian wishes to come to this country he has to mortgage his property to some storekeeper or moneyed man who will advance the money, but I have never heard of any bank or monetary institutions advancing such passage-money. The mortgagee does not always sell the property up; sometimes they wait two or three years for their money. The Austrians are very honest people. Sometimes when they are short of money I advance them a few pounds, and they always repay it. Sometimes I have to wait five or six months, but I always get it. I have not been acting as agent for any of the storekeepers or owners of private gumfields to supply Austrians for their fields. They go invariably to where their friends advise them to go before they left the Home country. About two years ago two of the Austrians went with two Englishmen to Mangawhai gumfield. At that time the price of gum was very low. These two Austrians got tired of digging at Mangawhai, and went to Whangarei, and then Poroti. When they left Mangawhai they knew a good bit of gum could be got there, but the price was too low for that sort of gum. While at Poroti they did fairly well, and there were about fifty or sixty Austrians at work there, and then, when the price went up for the poor gum, they in a body went to Mangawhai. I have never induced any party of Austrians to go to any particular field, and I swear that I have never received any money from storekeepers to send men to any particular field, nor from the owner of private gumfields. The Austrians have not to report themselves to the Consul here. Some of them emigrate to escape military service. Only about four or five of the Austrians who arrived here during the last twelve months, staying at my house, brought their wives with them. Very few of the Austrians that go away come back again. Many of those who go Home take considerable amounts of money with them. I have had an opportunity of knowing this, because I go with them to the bank and help to arrange matters for them. There have been hard times in Dalmatia, the vines having failed.

Nicholas Green: I am the proprietor of "Sydney House," corner of Albert and Durham Streets. I was born in Dalmatia. I have been twenty-one years in New Zealand. I have not done any gum-digging except about a month, to see what it was like. Austrians come to my house when they are staying in Auckland. On account of my being new in the business they go to the older established boarding-houses. I have never heard that any of my countrymen say that they have come out assigned to any particular field, but it has been frequently stated by colonists out here. My idea is that a number of the younger men come out here to avoid military service, but the married men come here to make a little money and then return to their families. There are over twelve thousand Englishmen in Austria and Hungary working at different occupations—sailors, engineers, merchants, &c.—and many of them have their wives and families with them, and no word is spoken there of making them leave the country. There is no doubt that a good many Austrians would settle on the land, but they cannot speak the language, and it is useless to settle on land without being able to speak the language. I think they would avail themselves of land if any particular block or blocks of land were offered them.

Joseph Franich: I am keeping a boarding-house in Durham Street West. I have been four years and a half in New Zealand, but it is five years since I left Dalmatia. I went to Australia first. I was born in Dalmatia. I was digging three years and eight months. I was digging at Mitchelson's Lease at Wairoa, and Poroti nine months, and also at Kawarua. I have only got one Austrian boarder this week. I had fifteen last week. Some stop with me when they arrive first. When they come I tell them they will be sorry, but it is all right if they settle on the land. I was a soldier, and have completed my military service. At the completion of this I happened to see an Austrian newspaper called the "Narodni List," of Zora. The date of the newspaper was April, 1891. In it was written an article by Mastolitzka and Paul Lopez, and in that same paper appeared an advertisement signed by Mr. Mitchelson, in which he notified that any person coming to his field could make 10s. a day. I saw this myself. I read it in Zora. I managed to obtain a passport for one year, and I went, with others, to Trieste, from whence we shipped, buying our passages to Auckland, which came to £30 each man. I did not borrow the money. It was my own money I paid. I could not speak English then. On arrival we went to Mitchelson's Lease, at Wairoa. Mitchelson paid £1 10s. per cwt., and we bought our stores from him. We did not pay royalty. We were not bound to Mitchelson; we could leave him when we liked. I worked for four months. I stopped at Scarratt's five months; after that to Kawarua, where we paid a royalty of 2s. per

hundredweight to the Maoris. We stopped there four months. After working fifteen months at Mangawhai, I came to Auckland and started the boarding-house. A large number of my countrymen came to New Zealand, I consider, on account of the advertisements and articles that appeared in the Austrian papers. I have never been paid for sending a certain number of diggers to a particular field by storekeepers. I know of no such arrangement. There are a good many of the younger men who come out here because they get out of serving in the army. After three years' service, I am still liable to serve one month each year, and this I have not performed, and I am liable to get into trouble if I go back. There are quite a number of young men who will never go back to Austria, because of the military service. I only know of one Austrian who brought his wife from Austria, but I know of three or four here who have married English girls.

AUCKLAND, 25TH FEBRUARY, 1898.

Hon. Edwin Mitchelson : [The evidence taken in June, 1893, before the former Commission, was read to Mr. Mitchelson.] I have little to alter in my previous evidence, except in regard to the output of kauri-gum, which has fallen fully one-third on the Kaipara fields. All the fields are becoming exhausted, and the quality of gum is much deteriorated. I hand in a sworn statement in regard to an assertion made by a previous witness—Joseph Franich—as to an advertisement being inserted in an Austrian newspaper by myself or any member of my firm. I have telegraphed to my brothers at Dargaville to know if they had any knowledge, or ever heard of any such advertisement having appeared, and they have telegraphed back denying that they have ever done so. I cannot swear that such an advertisement did not appear in an Austrian paper, but it was neither with my consent, or that of any member of our firm, nor with my knowledge, and if such advertisement appeared it must have been the work of a political enemy. My brothers ask that the person who gave the evidence should produce the paper. I have asked Mr. Seegner to write to Austria and get the paper, so that I can get to the bottom of it. I am quite satisfied that there is no gum in the world can compete with the kauri-gum—none can equal it. Varnish made from kauri-gum will not stick; it will stand firm as a rock. Varnishes made from inferior gums stick. I am satisfied that the Auckland gumfields and gum-merchants have suffered materially and financially through the manner in which the gum has been manipulated in London by “rings” and “corners.” We, ourselves, have suffered enormously by the “bulling” and “bearing” of the market. The consequence is that those who have suffered now insist on f.o.b. prices. We were the first to establish this. We still ship small parcels of inferior gum which do not sell in the local market. We are now packing largely f.o.b., and we know what price we are going to get before we ship. Any merchant in Auckland would show by his books that shipping on consignments have resulted in heavy losses. I do not know how the “rings” are worked; but Mr. Walker, of Ruddock and Walker, was in London for twelve months, and knows all about it. The American market is controlled by the following firms: Messrs. Garlick and Lyon, Patterson, and Arnold Cheaney and Co.; but it is not liable to the same fluctuations as the London market. The late Mr. Firth told me he saw, when in London, in a broker's room, a large lot of gum shot in a heap and a number of cases empty alongside, having our brands upon them; and, upon asking the broker his intention, he replied, “Oh, we are going to mix up the gum, and place a mixture of inferior gum into the E. M. cases, as those brands being so well known, it is easier to dispose of the gum when under those brands.” Another iniquitous practice is that of the present mode of sampling, by which means there is a large shrinkage in weight, samples being taken by each proposed buyer from each lot, such samples never being returned.

The following is the evidence given by the Hon. Mr. Mitchelson before the Gum Commission in 1893: “I am of the firm of Mitchelson and Co., Auckland, and Mitchelson Brothers, Dargaville, kauri-gum and varnish at Auckland, and kauri-gum and general merchants at Dargaville. We produce about one-eighth of the total supply of the gum that leaves the country, and we actually handle from 1,000 to 1,300 tons per annum. We have exported largely to London and New York, both on consignment (for auction) and to order. We have exported none the last two years, consequent on the high prices ruling in Auckland, but have disposed of it here. The gum which we produce (which I have referred to as being one-eighth of the total supply) comes from the Kaipara district. The bulk is taken from our own leasehold; that purchased at our Dargaville branch comes from all parts of the district. We also have branch stores on the leaseholds. We lease about 60,000 to 70,000 acres in all. One block of 44,000 acres is owned by Mr. James Nimmo, of Glasgow. I think we purchased of the Kaihu Fibre Company, represented by Mr. Tinne. The company purchased it from the Natives. I have heard that Mr. Nimmo gave 5s. an acre for it. The leasehold by Mitchelson Brothers is for ten years from July, 1891. The rent for the first year is £1,200, decreasing £100 every year. The other blocks (Opanake, 7,100 acres, and Kaihu No. 2, about 10,000 acres) are leased from the Natives. These are, I think, for five years from July, 1891. I put in a copy of the conditions under which gum-digging is allowed on our leased lands. The total number of men digging at present on all our leases is 550, made up as follows: Austrians, 250; British and others (including a very few Germans and French), 170; Maoris, 130. The total varies from time to time. The quantity of gum produced there can be ascertained at Dargaville, but I should think about 800 tons. I think about a dozen Austrians came about three weeks ago. I should suppose there are about six hundred Austrians altogether in the Wairoa River valley. More have come during the year than ever before. They send home their earnings, and bring out their friends. I can state positively that our firm has had nothing whatever to do with bringing the Austrians here. The only occasion on which I have ever come into personal contact with Austrians was eighteen months or two years ago, when a storekeeper of the firm and nine others purchased ten tickets in an Australian sweep. One of the tickets resulted in a win of £10,000, which was divided amongst the ten, some of whom (all but

one) were Austrians. One of these came to Auckland with a letter of introduction from my brother to me, as he could not write or speak English, with a request that I should accompany him to the Bank of New Zealand to arrange for the transmission of a sum of money—nearly £1,000—home to his friends. I believe that to be the sole cause that has stimulated the immigration, as there were others of the ten concerned who also sent money home. I have talked to several storekeepers about the Austrians, and they all give them a good character as being law-abiding, industrious, and good diggers; also good customers to the stores. I am informed by my brother that the average cost of living amongst them is 9s. to 12s. a week, and that they are not flush of money on their first arrival, and, being very averse to getting into debt, they live very frugally until they can sell some gum, after which they live as well as any one else. I believe they do not spend much money in liquor. I do not think they come here with the intention of settling; they do not bring their wives and children. There have been a certain number of that nationality digging gum for ten or twelve years; they were probably runaway sailors in the first place. Notwithstanding the influx, and the increase of the price of gum during the last six months, the production of gum has not increased. I wish to bring under the notice of the Commission two advertisements in the *Sydney Morning Herald* of the 18th and 20th March, 1893, asking in the one case for twenty men, and in the other for ten, to make up a party to work on the New Zealand gumfields, and the address was to the New Zealand Labour Agency, 19, Macquarie Place, Sydney. These advertisements were referred to in a Sydney and an Auckland paper, and it was insinuated that the gumfields on which these men were to work were on the land of a member of the House of Representatives. Myself and all my friends considered that I was the person alluded to, being the only member interested in gumfields. In consequence of this I took steps, through my Sydney agent, to have the matter investigated. A detective was employed, who discovered that the advertisements were the work of two swindlers, who proposed to cheat the persons applying to be taken, by getting an advance of money which would give the swindlers £1 4s. 6d. profit. The documents which I now hand in will show that the so-called New Zealand Labour Agency in Sydney was only eight days in existence, and was simply a swindle. They will also show in more detail the results arrived at by the detective. The price paid for gum at our stores can be ascertained on the spot, but the amount of money paid away must be considerable, judging from the amount sent to the stores which does not come back again. It is a condition that the men get their stores at our places. We do not give credit except in cases where the men have no money to buy stores. We prefer to pay ready money for gum, and to receive ready money for stores. I do not think there is anything that can be called truck on the fields. We are obliged to give credit in some cases, or allow the men to starve, when they have not got a penny. There are many men of British race who have large savings; there are two or three men who have some thousands of pounds in the banks. I am not aware of any cases of men digging for wages. Of our leases, the Opanake Block is good land, but of the rest I should think there is not more than 5,000 acres out of the 44,000 that would be good for settlement. The Government have some good blocks adjoining. I think a good many of the gum-diggers would be very glad to take up land if blocks were set aside for them. Many have their wives and children with them. On the other hand, a great number would never settle in any circumstances. The want of roads is a great difficulty. There is land within twelve miles of the Kaihu River, which for quality is unequalled in the colony. I do not favour an export duty for the purpose of road-making, but I think a license to dig might be advantageous. It should be made county revenue, for road-making. I think an export duty would fall on the digger at first, but that would probably not last long; it would work back to its present position. I think the prices in the foreign markets are ruled by the prices paid in Auckland, which again are ruled by the supply, or competition. I think the license should be taken by all, whether digging on Crown or leased lands—say, 10s. per annum for leases, and £1 for Crown lands. The license-fees paid now to leaseholders is by way of rent.”

Carl Seegner (German Consul): There is very little to add to the evidence I gave in 1893. The quality of kauri-gum is still deteriorating. Prices are temporarily high, but that is only a spurt owing to very small stocks in America and in England. It is a moral certainty that in a year prices will be down £15 or £20. Prices have never been as high as at present. The direct export of gum to France has entirely ceased. I was in France in 1894, and went all over it where I had formerly customers. I tried my very best to get orders, but we could not get them against the East African gums—Zanzibar and Madagascar. Kauri was used in the north, but in small quantities, and large quantities of gum came from Africa. There are also large quantities of gum being introduced into Belgium and Germany from the Congo District. The Congo gum is exactly like kauri re-scraped. In England, kauri was in more general use. I am quite sure an export duty would harm. I have no idea what the export of Madagascar gum is. Madagascar gum is not used, only because it is cheap and nasty. If an export duty were put on kauri it would affect the price, and the competition with other gums would be stronger and stronger. I have tried to get the figures of the export of Madagascar gum, but have failed. It goes to France, Italy, Germany, and Austria, and all through these countries they would take kauri-gum; they have no preference, but they buy the cheapest, and what pays them best. They know exactly what good gum is. Nobody says anything against the quality of kauri: it is the best; there is not the slightest doubt about it. I have notes of having *viséd* about 150 passports. I believe they only refer to soldiers. The original Austrians who came here came as ordinary sailors, and they are still here, engaged in the fishing. The entries in my books would not give you an idea of how many Austrians there may be in the country. I think the young Austrians who come into this country would make good settlers. They are honourable, trustworthy, and very industrious. I know nothing about British gum-diggers having a grievance, and feeling themselves supplanted by the Austrians. I think if a man comes here and works he can work as long as he likes, and he has a right to do with his money as he likes. It would certainly be a good thing for the country if the Austrians would stay, and not send their money away, but I believe that comparatively little money is sent away now. I believe

these men earn less now. As agent for the North German Lloyd, when men come to me I make a point of asking them a few questions, and I find that as a rule they have very little money compared with former years. They seem to come from a very small area, and I believe most of them come because their chums are here. I do not believe there are more than seven or eight hundred Austrians in the colony. It is quite possible that the districts they come from feel the decrease of population. Many of them are wanderers. Some of them have been in South America and in Germany, &c., which proves they are in the habit of going from home earning money and then returning home again. It might be worth while to offer them some land to settle on, but the great difficulty is with the language. I acted as Austrian Consul for six years until the appointment of my partner, Mr. Langguth, in that capacity some months ago.

The following is the evidence given by Mr. Carl Seegner before the Gum Commission in 1893: "I am a merchant in Auckland, of the firm of Seegner, Langguth, and Co. I am also acting German Consul in Auckland. Our firm has considerable dealings in gum, chiefly for the continental markets—Antwerp, Hamburg, &c. We have sometimes sent gum to London, not to New York. We buy gum wherever we can get it cheapest, either in Auckland, or from the country. We have no direct relations with the gum-diggers. We classify the gum very much as the others do in Auckland. The quality of the gum has decidedly deteriorated since I have been in Auckland, which is about eight or nine years. The pieces are smaller than they used to be. I do not mean by this that the quality of the gum itself is deteriorated, but when the pieces are small, a given weight would contain less good gum than an equal weight composed of larger pieces, owing to the large proportion of surface which the smaller pieces present, but the good part would be equally good. I do not think this had any effect on the price; that is regulated by the markets. Abroad, kauri-gum is competed with in the continental markets by Manila, and further competition is now threatened by a new gum from Madagascar. A statement I have received from Germany shows that the Madagascar gum, of quality corresponding to our No. 1 re-scraped, is 10s. a hundredweight higher—*i.e.*, £8 10s. Madagascar, to £8, kauri. The Madagascar is spoken of as quite equal to kauri for varnish purposes. I have never seen the Madagascar myself, and I do not know what quantity has been obtained. It is a new gum, and cheaper than Zanzibar. Our principal competitor on the Continent is Manila. The varnish made from Manila is not, I think, as good as that made from kauri. It could only compete with it for a certain class of varnish. For that class there is more Manila used than kauri. An export duty up to £5 on kauri-gum would have the effect of preventing altogether the export of the inferior qualities of kauri—*i.e.*, No. 3, and to some extent No. 2 also. I have no doubt the duty would fall on the digger. The merchants would give £5 less. I am quite convinced an export duty would do a great deal of harm to the gum-digger. The ranges of price in Manila are: re-scraped, from £45 for the lowest to £81 for the highest; for the classes not re-scraped, from £18 for the lowest to £35 for the highest. Some gum has been sent from here to Marseilles, about 60 or 80 tons a year. Shipments have recently ceased, owing to the competition of the new Madagascar gum. I should think the total quantity of gum exported from Auckland direct and *via* London, to the Continent, is about 300 tons. With respect to the Austrian immigrants, the only ones with whom I have come into contact are those who are soldiers, and who have come to me to have their passports *viséd*, as I am acting for the Austrian Consulate also. Of these, I have seen about five-and-twenty in the last year. From information received from them I should suppose that four hundred to six hundred of their countrymen in all have come here; that would be during four or five years. These people come from Dalmatia, from the neighbourhood of Ragusa. They have told me they came to dig kauri-gum. I believe the real inducement was the fact that two or three years ago some of them made great winnings on races. They all come from a very limited area. One man had £1,300, and several £1,000, on a Melbourne sweep. The wages in their own country are very low, but I have no exact knowledge about it. More of them have arrived during the last twelve months than before. On the other hand, many have gone home after making a little money, but some of these come out again. I never heard of any women coming with them. I know of several who have settled in the country. I think they were agricultural labourers in their own country—probably vine cultivators. These people have always told me that they paid their own passage, and came out in consequence of advice from their friends, and I have never discovered that they came out on any contract or through any agency. They all work separately, and they seem hard-working men. The immigration of Italians to the Plate Republic seems a similar case—thousands of them go there, return to Italy with money, and afterwards go out again. Some of these people might settle if facilities were given, but one difficulty is that they will not learn the language. Moreover, their way of living is very different from that of the colonists. On the whole, I do not think them a desirable class of immigrants. They are honest, hard-working, and thrifty, but I scarcely think they will settle. I am told that some of them make £100 a year clear."

William Henry Lyons: Having heard the evidence I gave in 1893 before the former Gum Commission I have little to alter in it. I believe the export of kauri-gum to Europe direct is less than it was five years ago. The quantities bought by Germans and the French merchants are less. Whether they buy more in London, or whether they are using a larger proportion of other gums, I cannot say. I have no statistics as to whether a larger production of Manila gum is taking place now. Inferior gums have always been saleable; they are dearer in about the same proportion as other gums are. The trade in African gums is much larger now than it used to be. There must be an increase going on in the use of varnish and the production of other gums, while ours is decreasing, or is, at least, stationary. I do not suppose that the Austrians are more than a tenth part of the diggers on the fields. I think that nine-tenths of the diggers are either British or Maoris. I estimate the number of diggers at eight thousand, and, if there are eight thousand diggers, I estimate that seven or eight hundred are Austrians. Two or three things have tended to make the price of gum high. In the first place, when the mining industry began to be prosecuted

more diligently, it and the timber industry drew many diggers away from the gumfields; then, America was unsettled some years ago, owing to the financial crisis, and that lessened the American demand. The American demand is better now. I think the price of other gums has risen along with the prices of kauri-gum, but I cannot give any statistics with regard to that. I believe gums are mixed for varnish-making, but as far as I am aware the different gums do not require a different apparatus. They require different treatment. I have no reason to believe that the fluctuations in the market have been caused for "bulling" and "bearing" purposes. I think the reason has been owing to the state of production this side. Some nine or ten years ago we had pretty hard times in Auckland, and a large number of people went gum-digging from other occupations, and the production of gum increased very largely. Within a few months after that the price in London began to go down. Since then the price has gradually increased, because the production has fallen off. I think the largest losses made in the gum trade are due to this: that people have gone into the kauri-gum trade who knew absolutely nothing about it. They have bought largely, and sent their gum Home, with fatal results. The trade has also proved fatal to many storekeepers in the North, because they would keep up the custom of giving credit to the gum-diggers. To people who have traded wisely, and with a knowledge and experience of the trade, I am not aware that it has proved fatal.

The following is the evidence given by William Henry Lyons, of the firm of Messrs. Garlick and Lyons, before the Gum Commission in 1893: "I am a merchant, of Auckland, and my firm deals largely in kauri-gum. A good deal of the gum is sent to us consigned by country storekeepers. A good deal more we simply buy on its arrival in Auckland. I suppose we handle from 800 to 1,000 tons a year, as a rule. None of the stores are bound to us in any way. They simply send because we have been trading with them for a considerable number of years, or because for some other reason they prefer to send their gum to us. They are in no way tied to us. We have no one in the position of agents, or anything of that kind. It is of their own free-will they consign to us. We have nothing to do with the matter at all until the gum reaches us. We export the gum to Europe and America—to America most largely. The relative proportion would be three-fourths—more than that, perhaps. The gum is classified to a certain extent when we get it, but we further classify it after we have purchased it. That is the rule. Of course, a little reaches us in such a state that it does not require reclassification. As to the number of qualities into which we sort it, of course the different merchants to whom we ship require it sorted differently. I suppose the total number of our classifications would be thirty, perhaps. But to a certain extent they overlap each other. I have no direct knowledge of the wages paid to the diggers, or of statistics of that kind. I could give you the total statistics of the trade—the quantity produced from year to year—but I should hardly like to say what each digger is earning. That depends very much upon the digger himself. I have no direct knowledge of how many men are employed. I could only estimate by the total quantity dug, and what I hear of the digging capabilities of individuals. I only know from conversations with the storekeepers and diggers of the business relations between them. We employ no diggers; but individual diggers send their gum to us. I should imagine the number of gum-diggers would be somewhere about eight thousand. We do not supply goods to storekeepers who send their gum to us. The relations between storekeepers and gum-diggers, as far as I can gather, is this: a digger generally starts by making a purchase from the storekeeper, and pays you for what he has had in gum. There is a regular debit and credit account between them. Of course, there are cases where land has been leased or is owned by the storekeeper. No doubt in these cases he does compel the digger to trade with him as a condition of digging on his land. But the digger is free to come and go as he pleases. If he is dissatisfied with the terms he can go and dig on somebody else's land. As to the relative position of kauri-gum with other gums, it seems to be intermediate between the best varnish-gums and inferior varnish-gums. Kauri-gum is a varnish-gum. It does not come into competition with gum arabic, or any of those, but simply with other varnish-gums. The African gums are generally the finest, but the prices are high, and the quantity comparatively small. They would only compete with the upper grades of kauri-gum. But the serious competition with kauri-gum appears to me to be the gums coming under the generic name of "Manila." I believe the quantity of these gums to be greater than kauri-gum. It does not come into the London market. Amsterdam and Rotterdam are the great markets for it, so that London does not see the whole of it. The quantity is very large. It is more largely used on the Continent of Europe than in either England or America. I know that kauri-gum is preferred to Manila within certain ranges of price. The prices overlap somewhat, superior Manila being considerably more than inferior kauri-gum. The trade in Manila gum, I think, has increased more than the trade in kauri. I do not know where statistics could be got in Auckland. You would have to seek it through Dutch channels. Manila gum comes into competition with kauri-gum in the English and American markets, but more on the Continental market than in either the English or American. The best kauri-gum is higher in price than the best Manila. I should imagine kauri is preferred as the best all-round gum for making varnishes in England and America, but not in Europe. Still, there is a considerable exportation of kauri-gum to Europe direct. Most of the kauri-gum used on the Continent is from the London market. The quantity that goes from here, although it has been growing of recent years, is not very large. There are undoubtedly fluctuations in the price of kauri-gum in the London market. The average limit would be from 2s. 6d to 5s. and to 10s. a hundredweight; for the better qualities very much more than that; from 2s. to 5s. is not an uncommon fluctuation. I know nothing of the employment of foreigners on the gumfields except that there have always been some there as long as I can remember. Some of them have become settlers, chiefly Germans and Scandinavians. A great many of them who came to the country and started as gum-diggers are settlers now. As to the Austrians, of which there has been so much talk, their climate and home is as good as ours, so that there is not the same

reason for them to settle here as there would be for Europeans from more northern countries. I have only met two of these Austrians, but I have heard they are exceedingly hard-working men. I should say they undoubtedly are a desirable class of settlers. I am not aware of any reason why they should not settle, except that they have a very good climate in their own country. I understand they come from the Mediterranean coast—Dalmatians. I have absolutely no information as to any of them coming on contract. From all I have heard, I think they come of their own free-will. I do not know whether they bring their wives and families. The effect of an export duty on kauri-gum would depend very much on the amount of it. A £5 duty would be ruinous, I should imagine—ruinous to the digger. He would have to pay, undoubtedly. I have no information of the cost of the kauri-gum, say, on a gallon of varnish. In saying what I said—that the gum-digger would have to pay—I looked at the fact that the price of kauri-gum is affected by the price of other gums that pay no export duty. You cannot get £5 a ton more for kauri-gum in London simply because you ask £5 a ton more for it here. Occasionally the increase in the production of gum has resulted in a reduction of the price. Twenty years ago the prices were lower. The quantity has doubled, but I do not think the price has doubled. Kauri-gum is certainly more widely used. Forty or fifty years ago it was unknown, and it is not an easy thing to introduce a new material, especially in such a conservative trade as the varnish trade. I should say it had been fully introduced twenty years ago. The production was then perhaps about 3,000 tons a year. The prices used to fluctuate more violently twenty years ago than they do now. I think the average price of gum then was from £30 to £40 a ton. Now the production is 8,000 tons it is £40 to £50. I consider Manila gum has a constant effect upon the price of kauri-gum. As to its not having prevented an advance in the production of kauri-gum, the trade of the world has been growing all these twenty years. If there had been no Manila there would have been a larger demand for kauri-gum. In reference to kauri-gum more readily assimilating with oil, I can only repeat it is simply a question of cost. As to any exhaustion of the gumfields, twenty years ago people talked about that as an immediate thing, and they talk of it in the same way to-day. I understand it is more difficult for the gum-digger to get the same quantity of gum now than it was many years ago in the same time. Some people undoubtedly think we are within measurable distance of the exhaustion of the fields. No doubt the time will come when it will not be worth the digger's while to look for gum, but when that time is coming I cannot say. As I have said, twenty years ago people said the fields were exhausted, yet the production to-day is greater than it was. As to the depth at which gum can be got, that would depend a great deal on the nature of the soil. On open land, where the land is pretty level, the gum is not at a great depth. But in swamps, and where there has been landslips, it is often found at very considerable depths. A kind of gum got from trees does not rank so high as a gum got from the soil. It is not so hard. The colour is often better, and it fetches a very good price. My impression is that if there were a duty of £5 the digger would get £5 less for his gum. If a small duty, say, of £1 a ton, were imposed it would be very difficult to say who would pay it; in fact, it would not matter. But in the first instance, at all events, with a duty of £5 a ton, I think the digger would have to pay it. Such a duty would realise about £800. I have travelled over the roads in the North some years ago. There are some good roads there, but not many most of them are merely tracks. I do not suppose the gum-diggers pay any road rates, but Mr. Mueller would know better than I. I do not know where the money comes from to make the roads. The diggers pay a very heavy share of Customs duties in spirits and tobacco. I consider that through the gumfields we have never had to ask the Government to institute relief-works. I am not prepared to say the gum-diggers should be further taxed for the maintenance of roads. This part of the colony derives a very substantial benefit from the existence of these fields, and to tax the digger seems to me to be like taxing the poorest, or one of the poorest, sections of the population. The presence of the digger is a help to the settler, by making a market for and consuming the produce of the settler. If there were a small export duty it should be used for the roads; it should be strictly confined to the one use. My idea of a reasonably small duty would be £1 a ton. Certainly it should not exceed £2 a ton. I do not think a small duty would do much damage, but certainly a higher tax would be injurious to the gum-digger. As to a license-fee, it has been tried, I believe, in certain cases. On certain Government lands the diggers are obliged to take out a license and submit to inspection. We (my firm) obtain our gum over the whole district—from Kaipara, Bay of Islands, Whangarei, and so on, and then down the west coast."

William Robert Walker: I am a gum-buyer, commission agent, and sharebroker. At one time I was in the commission business entirely. Now I am in partnership with Mr. Ruddock, and we carry on both businesses. I have been a gum-buyer since a boy. About three years ago I visited England, and I saw how the gum trade was carried on there. The brokers put up the gum to auction once a month, and the auction is attended by representatives of the dealers in England and representatives of the dealers on the Continent. I know nothing of any combination of buyers. Our experience in shipping gum was very unfortunate. We went out of the business with a loss of £4,000, and I think that has been the experience of almost anybody who has sent gum to London. As to the reason, I can only say that the nearer the market is to the source of supply, as a rule, the price is relatively higher. There is a relatively higher market in the country than in Auckland, higher in Auckland than in London, and in the ultimate market in London the competition is least keen of all. That is a very curious thing. Another branch of the trade is to purchase gum here on commission for dealers in London, and that is by far the most healthy branch, and it is tending that way now. People have lost so much money by sending it to London on their own account. At present we are largely employed to buy gum for people in London. When in London I found that the chief competitor with kauri is the Manila gum. It is cheaper than kauri, and the resulting varnish is as good as the lower qualities of kauri, but not so good as the higher qualities. I have no statistics as to the quantity of it coming into London. From my observation I should

say it is sold at about one-half to two-thirds the price of kauri; Manila that would look like kauri would be sold at half the price. I met a large varnish manufacturer when I was in England the time before last. Gum at that time had risen very high, and he said to me, "I have done with kauri-gum. I am not to spend any more on these booms. I have altered my system of varnish-making, and I am to depend upon Manila." That appeared to show that kauri was not absolutely necessary. It was not a fact that certain inferior gums are saleable now which have never been saleable before; inferior gums have always been saleable. I believe Zanzibar competes with the higher classes of kauri. I have seen New Caledonian gum; it looks like Manila gum. I would not touch half a dozen sacks of it; and I am strongly of opinion that the importation of varnish gums should be absolutely prohibited here. Some time ago a few tons of New Caledonian gum came, and now whenever people get a quantity of kauri that looks like New Caledonian gum they believe they are getting a mixture. I cannot account for the fluctuations in price except in this way. Roughly, three-fifths of our production of kauri is consumed in the United States, and the remaining two-fifths in England and the Continent. In the United States they had a great financial crisis some four or five years ago, and their demand was considerably reduced. The production of kauri went on exactly the same, but there were people here enterprising enough to ship all that the Americans had been taking to London. The consequence was that the London stocks were immensely increased, and instead of a little over 600 tons they had over 2,000 tons of stock. It has taken fully three years to reduce that stock. I have no reason to believe that there is combination of brokers in London. I have heard a lot said about that, but I have no evidence. We used to have to complain of excessive sampling in London, but there is much less of that now. There is, of course, loss of weight due to natural dryage. Two years ago an analyst told me that kauri-gum contains 5 per cent. to 15 per cent. of moisture; there is therefore a legitimate loss of weight. In shipping the kauri-gum we put into each 2 cwt. case from 1 lb. to 3 lb. more weight than we invoice—1 lb. in the best quality, 2 lb. in the medium, and 3 lb. in the poor. We used to find that our loss in weight averaged 5 lb. to 6 lb. all round; that was due to sampling, to the natural dryage, and to the system in London of turning all the gum into a heap and putting it back into the cases again. I never heard of such a thing as putting inferior gum into cases which had held good gum. I do not believe there is anything in the way of robbery going on, but considering the rate of wages in London I think the dock charges very heavy. They pay 5d. an hour for labour in London. We pay nearly double, and any gum merchant here would be willing to do the same for the same money as we pay the London agents. When we complain, they tell us they have very heavy ground-rent to pay and that the fire insurance is very high. I have had to pay 2s. per cent. per month when the rate in Auckland was 2s. 6d. per cent. per annum. Germans are going into the varnish market very much; they use kauri, and they buy part of it in London. I think they get part of it direct. I think an export duty would be a great mistake. The digger would have to pay it, but if he got better roads it might pay him to pay the duty. I look upon an export duty as the same thing as if a bonus were offered on the Manila gum. It is just a question of the point at which manufacturers will leave our gum alone. £2 or £3 might turn the scale. I do not know if Manila gum could supply the whole market, supposing an export duty put kauri-gum out of the London market. A sliding scale, I think, would be less prejudicial than any other duty.

Leonard A. Bachelder, local representative of Messrs. Arnold, Cheeny, and Co., gum-merchants, having been sworn, and heard the evidence read over that he gave before the former Commission, saith: I confirm to a great extent what I then stated. We are, however, paying much higher prices for gum than we were then. We are getting the highest prices now for gum that has ever been paid, and yet the production is less than it was when I gave that evidence. This I attribute to the improvement during the last few years in the timber and mining industries. If kauri-gum advances, other gums must also increase in price. I believe Zanzibar gum would be a competitor with our gum if there were better facilities for getting it out. When I first went to Zanzibar, in 1875, we bought very largely of Zanzibar gum, and very little kauri. There was not much trade in rubber then, but now the natives can make more from the rubber than the gum. Zanzibar gum is altogether different from kauri. It is equivalent to the very best kauri, being a perfectly bright and transparent gum, and so hard that it is washed with caustic soda, which saves scraping. In my evidence before the former Commission I gave the average price of kauri-gum at from £45 to £53 per ton. The price has advanced from £10 to £15 per ton since then, and perhaps more on the average. I think the high prices ruling for good qualities has created a demand for lower-grade gum. What formerly we could buy at £45 is now worth £60. I think kauri-gum is holding its own against Manila and Zanzibar at present, but I think Zanzibar gum can be produced in large quantities if required. It only wants opening up. If the Commission recommended an export duty on kauri-gum the first result would be to reduce the prices paid here to producers. The higher kauri-gum goes it must certainly raise the prices of other gums. Increasing the cost of kauri-gum would result in encouraging the use of gums from elsewhere. If gum was raised in price 2s. per hundredweight I do not think varnish would be advanced in price, because other gums would be used in its manufacture. I notice in the evidence that in the country there has been a good deal said about the "gum ring" in Auckland. Now, I say that "ring" does not exist. There is as little combination amongst buyers of kauri-gum as in any business I know of. The quality of the gum varies so much that the price paid all depends upon the judgment of the buyer. I think both here and in London and New York prices are regulated by the question of supply and demand. I have never heard of "futures" in the gum trade. A man here buys entirely upon his own judgment as to the value of gum. We do not buy much gum direct from the diggers. I have not had any dealings to speak of with Austrians, but I hear them very well spoken of by all storekeepers as men who always pay well. As to their sending so much money away, it must be remembered that if gum to the value of £400,000 is shipped away in

a year, about 90 per cent. of that sum is paid out here. Our firm alone pays from £300 to £400 per month for grading, sorting, &c., and other labour. The gum industry provides a lot of labour here. Had it not been for the gum there would have been a great deal bigger cry from the unemployed during the depression. I believe that, roughly speaking, the trade in gum consists of from 15 to 20 per cent. of other gums, and the rest in kauri-gum. This refers to trade generally.

The following is the evidence given by Mr. Leonard H. Bachelder before the Gum Commission in 1893: "I am a merchant, residing in Auckland. I represent Arnold, Cheeney, and Co. We have large dealings in kauri-gum. It is our principal business. We export about 1,500 tons in the year, almost exclusively to New York. We get a good deal sent to us direct from the country, and we buy a good deal from the brokers. We have storekeepers who send all their gum to us, though they are not bound to do so. The gum comes to us unsorted, and it is sorted and graded by us. We make a good many different grades; we have one standard of grading. The prices paid here range from 8s. or 10s. up to £10 per hundredweight, but the extreme prices are rare. We make fifteen or twenty grades. We pay £2 5s. to £2 15s. for good ordinary, which constitutes the bulk of the business. There is generally gum-dust in the consignments we get. We mix the lots together before we send it. The gum-dust that is taken from the selected lots on the field is sent down separately. If we find more than there ought to be in the parcels of ordinary we make a difference in price. I think the demand for kauri-gum is increasing. I think the gum is deteriorating, by getting smaller and poorer. The prices being high, it now pays the diggers to dig a smaller kind than they would dig when the price was lower. I know of no reason to think we are within measurable distance of the exhaustion of the gumfields. I should think they are good for another thirty years, and I do not believe they will be exhausted then. I think kauri-gum has formidable competitors; there is Manila and Zanzibar. Kauri has very much superseded Zanzibar (Animé), on account of its price. The production of rubber has very much displaced the production of Zanzibar gum. I have been in Zanzibar eight years, and have seen that the case has been so. Manila is the chief competitor of kauri. I suppose it to be a dangerous competitor, but I have no practical knowledge of Manila. I should think an export duty on kauri would be paid by the digger, or, if not, it would stimulate the use of Manila and other gums. The demand for kauri has increased of late years. I think the demand for varnishes has increased. I should think an increase of £5 on kauri would cause a greater consumption of other gums. I think a natural fluctuation of price in the case of kauri would probably be attended by similar fluctuations in other gums. An advance in the price of gums in the foreign markets would increase the price here. I do not think that would, speaking generally, increase the production here; but I think a fall might decrease it, if it were sufficient to make it no longer profitable to dig. I doubt if a fall of even £10 to £15 would have much effect in decreasing the production. I have not seen any material fall in the quantity or price of kauri produced during the two years I have been in Auckland, but rather an advance."

Henry Edmonds: I have listened to the evidence which I gave in 1893 before the last Gum Commission, and I still adhere to it. When gum arrives in London I might explain that the buyers there refuse to buy until the distinguishing marks are obliterated. This obliteration of marks is done to prevent the manufacturers obtaining a knowledge as to particular firms supplying gum, when they would make at once their own dealing direct with such firm, and allow the broker to be put in the cold. They do not mix kauri with foreign gums. Different qualities of gum shipped here are mixed together, but Manila gum is not mixed with kauri-gum, as it would be readily detected. I have it stated that the imports into America are some 2,000 to 3,000 tons a year. It is very difficult to get at the price of gum in America, as they do most of their business under cover. On the 13th January, 1898, there were 2,333 packages of kauri-gum as against 2,399 packages of other gums. Manila gum can only compete with our inferior gums. One reason why the kauri-gum exports are so much larger than others is that the facilities in the British colonies for digging gum to put in the market are much better than in the Spanish colonies. I consider if there was supervision over the London market it would be better for the producer of gum and the gum merchant. I think, if an export duty was put on to-morrow, the buyers would meet and consider a reduction in the price of gum.

The following is the evidence given by Mr. Henry Edmonds before the Gum Commission in 1893: "I am a gum merchant in Auckland. I deal solely in kauri-gum. I buy and export to London and New York, chiefly to the former. I also sell gum locally on commission. I have been twenty years in the business. The gum is getting smaller; the cleaning seems to be going out, except for the higher-class gums. A rise in prices does not cause better cleaning on the ground; on the contrary, the merchants would accept an inferior sample. Prices have been very much higher the last two years. I think if we had not had such a wet season a good deal more gum would have been obtained, and many more men employed. This would have led to a fall in price. I believe fully 1,000 more tons would have come into the market in 1892 if the weather had been more favourable. I think kauri-gum has a formidable competition in Manila. The lowering of the freights has caused a good deal more kauri-gum to be put on the markets. I do not know that the Manila from Dutch ports has had the same advantage. About 1856, £15 was given for a gum which was better than what is now fetching £95. I am speaking of London prices. I can furnish statistics of quantities exported and prices in Auckland from 1856, also of the various varnish-gums sold at the monthly auctions in London during 1892. I think an export duty would be a very hard thing for the trade; it would diminish shipments. The trade has to submit to a discount of 2½ per cent., and to reweighing and sampling, which means a loss, and to the obliterating of marks. The brokers insist on the names being obliterated; they do not wish the varnish-makers to know from what particular merchant the gum comes. They will not bid until the name is obliterated. I infer from these facts that it will be impossible to impose an export duty on the London purchaser. The larger quantities of gum afloat now, which are larger than usual, point to a fall in the market about July.

The merchants and shippers here have no margin out of which an export duty could be paid. It follows that unless it can be got out of the consumers (and I do not see how it can) it must fall on the producers."

Henry Buckleton: I am accountant at the Bank of New Zealand, Auckland. I cannot give an idea as to the amounts remitted by Austrians or Dalmatians to their own country. Those facts may perhaps be obtained from our head office at Wellington. We used to have a branch at Dargaville, which is now closed. We have still a branch at Whangarei, but what is done there is not known at the Auckland office. If the Austrians remit money Home it would most likely be done through the Whangarei branch. I doubt if even the head office can give you much information on this subject, as most of these men, I think, prefer to take gold away with them rather than pay exchange. All I know in a general way is that we used to issue drafts in Dargaville when the men were sending money Home to their friends. When men go Home themselves they seem to prefer to take the gold with them. To give you an idea, I may mention that a man going from here to Klondyke actually carried four hundred sovereigns in a belt round his body, rather than pay 2 per cent. exchange for a draft on the bank in British Columbia nearest the goldfields. He ran the risk, and had the trouble, in order to avoid paying £8. I have not the slightest idea how much the Austrians send through the Government Savings-bank. I fancy they do send it that way, as we notice a lot of gum-buyers' cheques, which would seem to point to the men paying in the cheques and getting postal orders.

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