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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 is 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 swemp-land, and when drained will grow 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 hooking 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 new—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