

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