

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."