

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 Cheeney 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