

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