

as it possibly can. Those exporters that have not closed down entirely are working a few old hands on half-time, working up any surplus stock they may have on hand."

No, there was no slump! Yet we find on the 12th November, 1914, "only a few old hands on half-time working up any surplus stock they may have on hand" for those exporters that have not closed down entirely. And this on the authority of the same Mr. Charter who signed the pamphlet on behalf of A. S. Paterson and Co. As I said before, propagandists should have good memories.

Under the heading "Advances to Diggers" it is stated, "On or about November, 1914—four months after war broke out, and when steady business had been resumed—the Government commenced operations by making advances to the gum-diggers on the basis, it was said, of 50 per cent. of the prices ruling in July, 1914, the balance to be paid when the gum was sold or otherwise disposed of." ("Otherwise disposed of" sounds good, whatever it may mean.) Yet we have Messrs. Lichtenstein, Arnoldson, and Co. saying in their circular letter of the 29th October, quoted above, "We regret to inform you that we cannot at present buy the gum from you, there being no demand for the same." And Messrs. A. S. Paterson and Co., in their report of the 12th November, 1914, saying, "Only a small portion of the gum coming to hand since our last report has been sold, principally what are recognized as standard grades. The market has just about as near reached a stoppage as it possibly can." And L. D. Nathan and Co., in their report of the 22nd February, 1915, state, "Unfortunately since our last report there is little change to relate except a further drop in prices. —, Auckland brokers, naturally have great difficulty in obtaining a standard price when the market is upset by gum being sacrificed."

These are some of the "certain facts" which we are told on page 2 of the pamphlet the authors decided to "lay before members of Parliament and the public generally."

Under the same heading the pamphlet further says, "It is quite certain (and the diggers confirm this) that at the time the diggers received these advances they could have sold their gum (except certain trashy kinds, largely mud, which no one should have touched at any price) to storekeepers and others, and obtained better prices than they afterwards received from the Government; and, moreover, they would have received payment at the time or within a few weeks, and not have had to wait about two years or so for a settlement, as was the case with the Government."

"Except certain trashy kinds, largely mud," is distinctly good coming from men who have exported "certain trashy kinds, largely mud," in such considerable quantities. But the pamphlet is steadfastly consistent in its disingenuousness.

Now, every one connected with the gum trade knows that the quantity of high-grade gum produced during late years is quite inconsiderable. It would not therefore have been much use the Government stepping into the breach had they merely confined their attention to the high-grade gums. But we made advances on the low-grade gums as well as on the high grades, and the advances were made on a liberal scale. This is well illustrated by the amount advanced on the low-grade chalky gum called "medium swamp." Here the amount of the advance was 14s. per hundredweight "on the field," representing what was computed to be 50 per cent. of the price current on the 1st July, 1914. 14s. on the field was equivalent to an advance of 17s. per hundredweight "in store," Auckland. If we refer to L. D. Nathan and Co.'s report for the 22nd February, 1915, we find this same grade quoted at only 18s. per hundredweight on straight-out purchases. The actual words of the report referred to are: "There is very little doing in swamp, and big consignments are being offered in Auckland at 18s." Of this grade A. S. Paterson and Co., in their report of the 12th November, 1914, say, "Swamp ordinary: If it is absolutely necessary to buy ordinary from low-lying ground, the best plan is to pile it and class when there is a demand for it."

Other grades of gum produced in large quantities are the low-grade black swamp gums known as "B2" and "black nuts." Touching these grades L. D. Nathan's report above quoted says, "There is little or no market for B2, and lines which have been regularly selling in the region of 43s. are now sold at about 35s. Good black nuts, 30s.; poor black nuts reach about 16s." This would give an average price of 23s. a hundredweight for nuts.

It is interesting to note that on the B2 grade we advanced 24s. per hundredweight, and on the black nuts 21s. per hundredweight on the field, equivalent to 27s. and 24s. per hundredweight in Auckland.

In none of the gum reports from which I have quoted do we find the greatest production of the northern gumfields—rubble and chips—quoted at all.

In the case of the black and swamp chips we advanced 8s. and 9s. per hundredweight "in the field," equivalent to 11s. and 12s. per hundredweight respectively in Auckland. The advance made on these grades was a very liberal one, for at any time since July, 1914, quantities of the same have been purchased for 10s. or 13s. per hundredweight "on the field."

To recapitulate: Here, then, was the Kauri-gum Department advancing 14s., 24s., and 21s. per hundredweight on the field, equivalent to 17s., 27s., and 24s. per hundredweight in Auckland, on grades of gum which the Auckland brokers were at the time quoting, with few sales being made, at 18s., 35s., and 23s. per hundredweight; and it may be added that these are the grades of gum which are produced in the greatest abundance.

In the face of these facts I find it difficult to fittingly stigmatize the statement in the pamphlet, "That it is quite certain (and the diggers confirm this) that at the time the diggers received these advances they could have sold their gum (except certain trashy kinds, largely mud, which no one should have touched at any price) to storekeepers and others, and obtained better prices than they afterwards received from the Government"; and I shall simply content myself with again repeating, propagandists should have good memories.

I have no doubt whatever that when the Right Hon. the Prime Minister stated "there was no question that had the Government not come to the assistance of the gum industry at the