

The position is disclosed by the following particulars of gum received into Auckland during the first six months of 1921 and for the corresponding six months of the previous year:—

Month.							1920. Tons.	1921. Tons.
January	..	..	..	..	..	..	445	289
February	..	..	..	..	..	..	563	301
March	..	..	..	..	..	..	587	359
April	..	..	..	..	..	..	612	191
May	..	..	..	..	..	..	532	331
June	..	..	..	..	..	..	370	358
							3,109	1,829

Future prospects in regard to chips and dust depend chiefly on how far the gum-washing companies and syndicates can handle that end of the industry. So far the output of chips equal to or superior to that produced by the individual digger has not amounted to much, but increasing experience is altering matters materially, and the chips coming from the Wairoa district are being turned out with much less dirt and foreign matter than in the earlier stages of the companies' operations. That chips are obtainable in very large quantities is obvious, and it is only a question of better methods of production and cleaning to increase the output to meet any reasonable demand.

GOVERNMENT TRADING DEPARTMENTS.

One of the chief points levelled against State and municipal trading Departments is that they pay no income-tax, and that in many cases such a deduction from the net earnings would show some of these concerns to be carried on at a loss. This, however, is not putting the matter fairly. It first of all leaves out the fact that such Departments are not usually carried on for profit only, but there is invariably some other reason from a public-utility point of view for their existence. But take it from purely the financial point of view. At the time this Department, for instance, was inaugurated gum was a drug on the market. Any private firm commencing would have had to subscribe sufficient capital to run the business. In the early stages, when profits were out of the question, the shareholders would have been simply without a dividend. There would have been no income-tax to pay. In the case of this Department, debentures had to be raised at the outset, and interest commenced at once. To the 31st March, 1921, an amount of over £10,000 has been payable on account of interest on debentures. As regards a State Department, there is also the fact that all moneys are invariably paid into the credit of the Public Account, and no interest is payable on a credit balance.

If a fair comparison is to be made between State trading Departments and private traders, the question of interest payable on moneys borrowed to carry out the venture should be taken into consideration along with the fact that no income-tax is payable. In the case of this Department such interest charges have been much more than income-tax payments would have amounted to had it been a private company carrying on with its own capital, and the position at date would have been much more favourable than it is.

CROPPING FLAX ON GUM LANDS.

One of the chief drawbacks to the gum-digging is that there are no subsidiary industries to which the digger can turn in times of depression, and that the diggers, taken as a whole, will not turn their attention to the land from a farming point of view. In fact, a good deal of the bad reputation attaching to gum lands is a result of the general expression of opinion by the diggers that the land is valueless from an agricultural point of view. This applies especially to the kauri peat swamps.

In the report for 1918 the suitability of the northern gum lands for growing flax (*Phormium tenax*) was discussed, and it was stated that an area of some 50 acres had been planted at the Big Flat, Waiharara. The plants were selected from ground in the vicinity where flax was growing in profusion and where the thinning-out would do good. They were put in 6 ft. between rows, and a 12 ft. space between every twelfth row. The plantation has proved successful, and it is proposed to increase the area either this season or next.

Flax may be grown either from seed or plants transplanted. If grown from seed seven years must elapse before cutting, and then the cutting must be light the first year. Flax transplanted can be cut in four years, and thereafter every three or four years.

It is generally thought that the best results are obtained by planting matured roots rather than small and young ones. The roots should be dug, and then divided like rhubarb-roots, and planted fairly deep so that no air can get in. The leaves should then be cut off about 6 in. or 8 in. from the roots, so that they are not so likely to be blown over, the cutting being done by two cuts, one on each side and sloping upwards.

In Volume XXII, No. 2, of the *New Zealand Journal of Agriculture*, published on the 21st February, 1921, appears an article on flax-planting by Mr. Alfred Seifert, the well-known flax-miller of Palmerston North. Mr. Seifert quotes figures to show that the yield from 100 acres of land planted in flax, based on the highest price during the last ten years, would have amounted to £3,600, while the amount obtained if sold at the average price during that period would have been £1,800. The returns from 100 acres of similar land used for dairying would have been £1,925 taking the highest prices for butterfat and by-products, and £1,050 taking the average prices obtainable during the ten years. The labour involved in cutting and delivering the flax would be just about equal to the labour of dairying.

Mr. Seifert sounds a very optimistic note in regard to the cultivation of flax, and considers that a family could make a living from a 25-acre plot, 20 acres in flax and the balance for grazing cows and keeping a garden. In this case the grower would, of course, cut and deliver the flax in addition to growing it.

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