

to destroy their businesses. Thus their opposition to the Department, the propaganda, and the pamphlet are all explained.

No doubt it would be a good thing for the gum merchants and brokers in Auckland if the Government went out of the business, for it is clear, the export trade being in the hands of so few, the Government is the only competitor the gum-merchant has. But would it be in the interests of the five thousand gum-diggers, the storekeepers on the gumfields, and the industry generally that the Government should go out of the business? To this I say decidedly No. Again, is it in the interests of the State that the Government should be in the kauri-gum business? To this I say decidedly Yes.

No doubt it would be a good thing for the gum-merchant and the gum-broker if the Government would retire from the business, just as it would be a good thing for the legal profession if the Government were to close up the Public Trust Department, just as it would be a good thing for the insurance companies if the Government were to close up the Government Insurance Office.

Now, the Government control of the kauri-gum industry is not only necessary for the reasons above stated, but also because the Government owns nearly all the gum lands, the proper management and utilization of which must go hand-in-hand with the production of gum. Furthermore, it is necessary that a better control of the grading of gum for export must be exercised by the Government. In this connection it may be pointed out that much good is likely to result from Dr. MacLaurin's process for cleaning low-grade gums, which will shortly be in operation.

THE OPINION OF THE CHAIRMAN OF THE MANGONUI COUNTY COUNCIL ON THE KAURI-GUM BUSINESS AND THE NECESSITY FOR GOVERNMENT CONTROL.

I now quote a letter from Mr. Thomas S. Houston, Chairman of the Mangonui County Council, the county in which the bulk of the kauri-gum is produced. The letter needs no introduction, and I will only say that Mr. Houston is anxious to have his views on the subject placed on record.

"DEAR SIR,—

"Ahipara, 22nd December, 1917.

"I received a copy of your report and was very interested in it. I also received a pamphlet containing a statement of the kauri-gum trade, which also interested me a great deal. Having been in the gum trade for a number of years, it is quite refreshing to see that the gum-brokers have all of a sudden woke up to the fact that the gum trade is a valuable one and one they want to keep. I have talked this matter over with Mr. —, who is a storekeeper in —, and we both are of this opinion—that the whole of the gum-digging community have benefited by the Government going into the business, and we both consider that the sooner they take over the sole control the better. We feel sure that were this done the business would then be placed on a sound footing. The letters that appear at the end of the pamphlet, written by storekeepers and a digger, are to my mind the products of people who are tied to the gum-broker, which is the position that nine-tenths of the storekeepers are in; and by taking over the gum business the trade would be placed on a cash basis, and both digger and storekeeper would know exactly how they stood. In the past the time the storekeeper had to wait till different lots of gum were sold made it nearly impossible to carry on a sound business. You may rely on full support from — and myself in the policy you are adopting with regard to the gum industry.

"I remain, &c.,

"THOS. S. HOUSTON.

"Mr. R. P. Greville, Kauri-gum Superintendent, Auckland."

PETITION PRAYING THAT THE GOVERNMENT SHOULD TAKE CONTROL OF THE KAURI-GUM INDUSTRY.

Below is the prayer of a petition addressed to the Right Hon. the Prime Minister asking that the Government should take over the control of the industry. The petition is signed by nearly every gum-digger and resident of the principal gum-producing district in the North of Auckland Peninsula. The petition affords further evidence that there are other interests to be considered than those of the few merchants and brokers in Auckland City. This petition is one of several such petitions which have been received during the past few years.

To the Right Hon. W. F. MASSEY, Prime Minister of the Dominion of New Zealand, Wellington.
THE humble petition of the undersigned sheweth—

1. Your petitioners pray that your Government should take over the control of the kauri-gum industry in New Zealand at once, as suggested by the Commissioners recently appointed to report on the said industry, and establish and control depots for the purchase and sale of kauri-gum, and in such case your petitioners would willingly submit to an export duty of £1 per ton being imposed on kauri-gum.

2. That heretofore both your Government and the gum-diggers of the North of Auckland have lost considerable profits which might have been derived from the kauri-gum industry through the exploiting of the said industry by gum-brokers and their buyers, who have personally profited to a large extent thereby.

3. Your petitioners are of the opinion that if your Government would take over and control the sale and disposal of the kauri-gum, and conduct or arrange for monthly public auctions thereof in a central depot at Auckland, or sell and dispose of the same in some similar manner, that such arrangements would be to the mutual benefit of your Government, of the purchasers thereof, and to the gum-diggers in New Zealand, and would prevent the exploiting of the said industry as aforesaid.

4. In the event of your Government acting as aforesaid your petitioners are prepared to dig, clean, and dry the gum and send it monthly to the central depot. The classification and fixing the price of the gum could be carried out by the Department of your Government supervising the said industry.

5. Your petitioners would be prepared to accept a deposit of 50 per cent. on the price of gum delivered as aforesaid, and to accept the balance of the price six months after delivery during the war, provided that if any person to whom any money was due for gum delivered should intend departing from the Dominion such person should be entitled to receive payment of all such moneys on giving reasonable notice of his intention to depart from the Dominion.