

importer, and it would suit me better to import the article. You must therefore give me credit for sincerity.

170. I would say presumably that machinery—I will not specify any particular machine—would require, according to your evidence, a protective duty of 10 cent. I should gather that from what you told the Committee. I do not want you to commit yourself to actual accuracy, but such was the drift of your remarks?—No; I do not think that is the case.

171. Very well, then, let us take a case: if you put a duty of 10 per cent., does it not mean that the man who buys the machine will have to pay extra upon the cost of making it?—It does if imported.

172. *Mr. Hatch.*] I would ask whether the machines you allude to are not patent ones, embodying the whole ingenuity of the world?—Not because they are patent. As a matter of fact, many of them are; but putting a duty upon them will not enable them to be made here, because they are made from patterns that are themselves very expensive. The small demand for them in the colony would have a prohibitory effect if a duty were put on them, and I think it a pity to burden the industry with additional cost.

173. In speaking of machines, do you mean engines?—No; I do not. The fact of admitting the raw material was a sufficient protection for them. The same in the case of boilers, the freight upon which operates as a protection. Those machines to which I refer would not be bought by the general public. They would be regarded as tools for the purposes of manufacture. They are not articles of commerce.

174. *Hon. Mr. Ballance.*] You said that 10-per-cent. duty on engines or machinery would add to the cost: would the manufacturer of engines in the colony put on 10 per cent. to the cost here?—No; I did not use that word; it was put into my mouth: but I thought, if a little protection were given, it would not be an unfair thing to a very important industry. I think that machinery is being made and work done at too low a price, and the industry does not thrive as it should do.

175. You look upon a 10-per-cent. duty as a mere stimulus given to the local manufacturer?—It would be so; it would be an encouragement, no doubt.

176. Then you think that, if 10 per cent. were given, competition would keep the price down?—Yes; I think the competition is so great that work is done, as a rule, at a lower price than it should be.

177. In other words, profits are tending to a minimum?—Yes.

178. Through competition?—Yes; through competition.

179. You said it would suit you better to be an importer. Are you aware of the profits of all the parties: the profits of the manufacturer and the importer?—The profit of the importer is generally a commission of from 5 to 10 per cent; all carriage has to be added and borne by the user.

180. Have you any idea of the amount of wages to be expended in the case of an engine that would cost, say, £1,000: that is, what proportion of the £1,000 would be spent in wages?—I think quite half.

181. In the case of the profit of the manufacturer?—In labour alone it might possibly be more, but say half.

182. What would be the proportion for the raw material?—The raw material would be about one-third.

183. Now, take the case of an imported engine, what would be the proportion of the manufacturer's profit at Home?—I should imagine that the maker of engines at Home would have from 15 to 20 per cent. profit. I know that the larger makers are not content, if they make large engines for a steamer, to cost, say, £10,000, unless they get 25 per cent. We do not get anything like the profit in New Zealand that they get at Home.

184. *Mr. Peacock.*] I understand you to say that, if these industries were stimulated by a duty, competition would bring down the price to very much the same as if it had been imported?—No; I did not make that remark; but I agreed that a duty would stimulate the industry, and I thought the competition was so great that the work was done here in the colony at a minimum.

185. If the price by competition were brought down to what it would be if the article were imported, would not that involve the lowering of wages?—I think the workmen in New Zealand are capable of taking care of themselves; as a matter of fact, wages have not been brought down.

186. To the consumer you say the price would be so low as to involve the lowering of profit: would that not involve a lowering of wages? No; but, to my mind, the manufacturers here have unwisely consented to a minimum of profit in order to get the work.

187. *Mr. Bracken.*] I understand you to say that, in advocating any protection to these industries, you are speaking against your own interest as an importer?—It is against my interest, for, as I have already stated, I could import many of these articles. But I tell my customers sometimes that they can get them made as well in the colonies as at Home, and just as cheaply.

188. *Hon. Mr. Ballance.*] Do you consider that the manufacturers of any particular articles, let us adhere to engines, have any influence over the prices at Home: that is, has the manufacturer in the colony anything to do with the price demanded at Home?—Not the slightest.

189. Do you not think that the firms which send out these articles from England regulate their price by the prices in the colony?—I do not think any maker regards the price in the colony. If you take makers of particular machinery—Hornsby, for instance—their largest trade is outside New Zealand. In fact, New Zealand is a very small field for their operations. Egypt, France, Germany, and other countries are among their largest customers. To my mind the prices that might prevail in the colony would not have the slightest effect upon them.

190. They would not lower their price for the purpose of competing?—I do not think so. In one kind of machinery—reapers and binders, for instance—they might do so in order to compete with America; but in the matter of engines, boilers, and things of that kind the manufacturers at Home would not recognize the prices in the colonies.