

1892.  
NEW ZEALAND.

# FLAX OR HEMP INDUSTRY

(CORRESPONDENCE WITH THE AGENT-GENERAL).

*Presented to both Houses of the General Assembly by Command of His Excellency.*

## No. 1.

The Hon. the PREMIER to the AGENT-GENERAL.

SIR,—

Premier's Office, Wellington, 13th January, 1892.

The Government have had under consideration for some time the question of the flax industry in this colony, which is now in a depressed state owing to low prices and the quantity of manila and sisal fibres which are placed on the market.

With a view to being in possession of as much information as possible on the subject, I have the honour to request you will be good enough to ascertain what is the possible annual output of manila and sisal, what is the cost of production in each case, and by what process are the fibres prepared, together with any other information on the subject that you may think of value to the settlers of this colony.

I have, &c.,

The Agent-General to New Zealand, London.

J. BALLANCE.

## No. 2.

The AGENT-GENERAL to the Hon. the PREMIER.

SIR,—

Westminster Chambers, 13, Victoria Street, London S.W., 11th June, 1892.

Referring to your letter of the 13th January last, in which you instruct me to obtain information on the subject of the New Zealand flax or hemp, as it is known in this country, I beg leave to state that since the receipt thereof I have been in communication with those engaged in the trade here, and have also had the Circular Reports at the Foreign Office, the United States Consular Reports, the Kew Bulletin, and other publications relating to this industry carefully searched, with the view of ascertaining, so far as possible, what are the future prospects as regards the New Zealand hemp; and I will now proceed first to give certain particulars in reference to the questions which are specifically mentioned by you, and then add such further remarks as I think may be of service to those settlers of the colony who are interested in this industry. The points to which you direct my attention are: 1. The possible annual output of manila and sisal. 2. The cost of production of each. 3. The processes of preparing the fibres. 4. Any other information of probable value.

In the first place, I find that those engaged in the trade do not appear to be able to estimate with any great precision the future output of manila and sisal. But there is a consensus of opinion as regards both fibres, that the supply is capable of great extension provided the price and demand offer prospects of profitable results. During the past ten years there has been a gradual increase in the production of manila owing to the increased demand and high prices, the annual production for three years ending 1882 averaging 390,000 bales, while for this year (1892) it is expected to amount to 750,000 bales, or from 90,000 to 100,000 tons; and in the opinion of authorities on the subject, a further gradual increase may be looked for for some years to come, always assuming that no very material reduction in price takes place. With regard to sisal, the production has doubled within the last few years, and it is expected that this year (1892) it will amount to 360,000 bales, or 60,000 tons.

I think, therefore, from what I can gather, that the New Zealand settlers may definitely understand, as regards this aspect of the case, that they cannot in any way expect that the supply of these two principal fibres will be exhausted or even diminished, but that, given a demand at good prices for larger supplies, such a demand will be met—within any quantity that any one at the present time can anticipate will be required for the uses to which such fibres are applied—and that therefore it may be taken as certain that if New Zealand hemp producers are to maintain a profitable position in the markets to which their produce is consigned, their main endeavour should be to improve the quality of the fibre, and thus place it in a position to compete with the manila and sisal hems.\* For convenience of reference I give here the exports of hemp from New Zealand for the last ten years, and also the total imports into the United Kingdom for the year 1890 of all fibre products.

\* "Manila is much superior in strength to either New Zealand or sisal."—C.P. & Co.